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ASEAN-EC Meeting Proposed To Review Cooperation
BK0807063289 Kuala Lumpur BERNAMA in English
0457 GMT 8 Jul 89

[By Zainoor Sulaiman]

[Text] Bandar Seri Begawan, July 8 (OANA-BERNAMA)—ASEAN Saturday [8 July] proposed the convening of an ASEAN-European Community (EC) economic ministers meeting to review and identify new priorities, direction and framework for future cooperation.

Malaysian Foreign Minister Abu Hassan Omar, speaking on behalf of ASEAN, said ASEAN economic ministers at their 12th meeting in Thailand in last October agreed to invite the EC Commission to attend their next meeting here to initiate the process towards convening the second ASEAN-EC economic ministers meeting after a lapse of five years.

Speaking at the opening of the ASEAN-EC dialogue at the post ministerial conference, here, he said internal developments within ASEAN and the EC had exposed the two regions to new priorities and preoccupations.

With the EC giving priority to the process of creating a single market by 1992 to strengthen its economic capabilities and enhance policy coordination within the community, he said there was a need for the EC to avoid taking new measures which were inconsistent with the principles of the General Agreement on Tariff and Trade (GATT).

"EC's adherence to this would contribute positively towards enhancing ASEAN-EC cooperative efforts in liberalising international trade," he added.

Stressing the importance of the ongoing talks in the Uruguay round of multilateral trade negotiations (MTN), Abu Hassan said both ASEAN and EC must continue to play a major role in negotiating towards fuller liberalisation of global trade.

He also emphasised the need for ASEAN and EC to continue cooperation towards liberalising the world agriculture trade system and urged EC to immediately implement progressive reduction of all trade distortive agricultural subsidies and support measures to lessen the tension in the "farm subsidy war."

Expressing ASEAN's concern over the absence on any offer on tropical vegetable oils in the EC's initial offer for tropical products, he hoped the EC would continue to play an active role in the negotiations on tropical products so as to maintain the momentum towards an agreement on a final package on tropical products at the end of the Uruguay round.

He urged EC governments not to be persuaded by the anti-tropical timber campaign in Europe, which apart from being discriminatory, would adversely affect ASEAN trade with the Community.

In pursuing their long term objective, ASEAN and the EC have agreed on a joint memorandum on ASEAN-EC industrial cooperation, he said, adding that the role of the private sector was crucial in the implementation of the industrial cooperation programme.

The key to ASEAN's prosperity and security was the ability to expand exports of ASEAN commodities and manufactured goods and it would welcome fair and greater improvement in market conditions to trading, especially of processed agricultural and food products such as palm oil, coconut oil, canned pineapples, canned tuna, rice and plywood, he said.

In his response, EC Commissioner for North-South Relations Juan Abel Matutes underlined the positive aspects of a single European market programme for ASEAN and other developing countries.

He said the programme was a fast-track package of 279 pieces of legislation to be enacted by Dec 31, 1992 to allow goods, services, people and capital to circulate freely between the 12 member states of the Community.

The programme is a powerful internal deregulation offensive going together with a strong commitment towards multilateral trade liberalisation in the framework of the Uruguay round, he added.

"By strengthening competitiveness [as received] and by fostering structural adjustments within the EC, it will create a stronger demand for imports, help EC businesses to open up for competition and partnership and reinforce EC's commitments to an open multilateral trading system," he said.

On ASEAN-EC development cooperation, Matutes said a major new regional project to be based in Brunei is the ASEAN-EC Management Centre—a regional centre with human resource development as its priority—expected to be opened before year-end.

The eighth ASEAN-EC ministerial meeting will be held in Manila on Dec 1-2.

Australia, EEC Clash Over Regional Trade Bloc
BK0807074089 Hong Kong AFP in English 0641 GMT
8 Jul 89

[By Charles-Antoine de Nerciat]

[Text] Bandar Seri Begawan, July 8 (AFP)—Australia and the European Economic Community [EEC] clashed here Saturday with Canberra rejecting any EEC participation in a mooted Asia-Pacific trade forum and the EEC warning against turning it into a trade bloc.

Australia, which floated the idea, resisted European attempts to gain a voice in the forum, with Australian Foreign Minister Gareth Evans saying it should be "a geographically regional process."

The European commissioner for North-South relations, Abel Matutes of Spain, assailed the Australian initiative as "contrary to the spirit and rules" of the General Agreement on Tariffs and Trade (GATT).

Mr. Matutes said the Community "could hardly accept a format where almost 50 percent of the EEC's external trade is discussed while keeping the Community out of those discussions."

"If this initiative makes progress, it should be open to all parties concerned," he said.

Mr. Matutes added, however, that "the most appropriate framework" for such trade discussions was the talks held annually between the Association of Southeast Asian Nations (ASEAN) and its major industrialized partners, including the EEC and Australia.

ASEAN was winding up the latest series of talks with its so-called dialogue partners from the industrialized world in the Brunei capital Saturday.

ASEAN dialogue partners also include the United States, Japan, Canada and New Zealand.

On the Asia-Pacific discussions, Mr. Evans said Saturday: "They (the EEC) were lobbying vigorously against the whole process at the beginning of the week and now they're lobbying vigorously to participate in it, which is a bit cheeky under the circumstances."

The EEC meanwhile sought to dispel widespread fears in ASEAN, which groups Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand, that the 1992 EEC single market would result in intensified protectionism.

Both French Minister-Delegate for Foreign Affairs Edwige Avice and Mr. Matutes told ASEAN foreign ministers, whose countries with fast-growing and export-oriented economies fear the emergence of "a fortress Europe," that the single market would generate increased purchasing power which would in turn offer vast new opportunities for the Community's partners worldwide.

"With enhanced competitiveness, the single market will inevitably make us better partners in free trade. Europe will continue to strive for the further liberalization of world trade," Mr. Matutes said.

Concerns over the 1992 single market were implicitly voiced by Malaysian Foreign Minister Abu Hassan Omar when he said the EEC should "continue to play a positive role" in enhancing more liberal trading practices and take steps to "reduce tension in the farm subsidy war."

Mr. Abu Hassan called for "an immediate freeze on support measures and market access barriers for agricultural products," urging the EEC "to immediately implement progressive reduction of all trade distortive agricultural subsidies and support measures."

Turning to Cambodia, which has been with trade the main topic on the agenda of the Brunei talks, Mr. Abu Hassan reiterated ASEAN's wish to see the upcoming Paris international conference handle the conflict "in its totality."

"A partial solution to the problem will not bring about peace and stability to Kampuchea (Cambodia)," he said.

ASEAN supports a coalition of guerrilla movements fighting Vietnam's forces and their Phnom Penh allies in Cambodia.

The regional grouping has sided with the U.N.-recognized guerrilla alliance in demanding that a settlement be "comprehensive"—a catchphrase for the inclusion of the Marxist Khmer Rouge in a post-agreement government despite international pressure for the former rulers of Cambodia to be left out.

Vietnam invaded Cambodia 10 years ago to overthrow a Chinese-supported Khmer Rouge regime blamed for the killings of hundreds of thousands of people during nearly four years in power.

Evans Comments on Pacific Bloc

BK0807074889 Melbourne Overseas Service in English
0700 GMT 7 Jul 89

[Text] Australia's foreign affairs minister, Senator Gareth Evans, says Australia is keen to include China in the proposed Asia-Pacific economic group despite the reservations of the United States and other countries.

Speaking in Brunei following talks with ASEAN foreign ministers, Senator Evans said Australia was keen in principle to have China involved. He said Australia would like 10 so-called core countries to attend a ministerial meeting in Canberra in November before considering the participation of China, Taiwan, and Hong Kong.

The American secretary of state, Mr James Baker, said earlier that China was not yet a free market-oriented economy and might be out of place in the group Australia proposed. According to Senator Evans, several countries questioned China's political and economic directions following last month's Army crackdown on prodemocracy demonstrators.

Papua New Guinea Joins Southeast Asian Treaty
*BK0807071889 Hong Kong AFP in English 0627 GMT
8 Jun 89*

[Text] Bandar Seri Begawan, July 8 (AFP)—Papua New Guinea has formally joined the Treaty of Amity and Cooperation in Southeast Asia, the Association of Southeast Asian Nations (ASEAN) announced here Saturday.

Papua New Guinea Foreign Minister Michael Somare presented Friday instruments of accession to the treaty to his ASEAN counterparts who are here for their annual meeting, according to an ASEAN press release.

The pact, signed in 1976, was aimed at promoting perpetual peace, everlasting amity and cooperation among the peoples in the region.

ASEAN members—Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand—agreed in 1987 to allow states outside the region to accede to the treaty by consent of all the members.

Papua New Guinea, which has taken part at the annual ASEAN ministerial meetings since 1976 as an observer, is the first country outside the region to sign the treaty.

Shevardnadze Expected at Paris Talks on Cambodia
*OW0807052789 Tokyo KYODO in English 0437 GMT
8 Jul 89*

[Text] Bandar Seri Begawan, Brunei, July 8 KYODO—Japanese Foreign Minister Hiroshi Mitsuzuka on Saturday welcomed the participation of his Chinese counterpart Qian Qichen in Paris peace talks on Kampuchea and said Soviet Foreign Minister Eduard Shevardnadze may also take part in the July 30-31 negotiations.

"China's participation in the peace talks is very significant," Mitsuzuka told reporters. "If the Chinese foreign minister comes to Paris, then the Soviet Union should also send somebody suitable."

The comments were being viewed as a clear indication that Mitsuzuka expects Shevardnadze to participate in the meeting, according to Japanese sources here.

Mitsuzuka also said he plans to hold talks with Qian when the two are in Paris for the peace conference.

The United States, six Association of Southeast Asian Nations (ASEAN) member countries and Australia are other countries expected to send delegates to the French-proposed meeting aimed at reaching a political solution to the 11-year-old Kampuchean conflict.

French Deputy Foreign Minister Edwige Avice on Friday confirmed China's participation in the peace talks.

Mitsuzuka is here to represent Japan at annual ministerial talks between ASEAN and its dialogue partners from advanced industrialized countries.

Alatas Briefs Newsmen on Paris Conference
*BK0907043689 Jakarta Domestic Service in Indonesian
0000 GMT 9 Jul 89*

[Text] Foreign Minister Ali Alatas says France will use the Jakarta informal meeting [JIM], which succeeded in bringing warring Cambodian factions together for the first time, as the basis for convening the international conference on Cambodia in Paris at the end of this month. Briefing newsmen in Bandar Seri Begawan, Brunei yesterday, Minister Ali Alatas welcomed the plan and said that he had held talks on the matter with Mrs Edwige Avice, French minister of state for external relations, who came to Brunei at the head of the EC delegation. He said that Minister Avice would also like to directly learn Indonesia's experience in convening the JIM, which was regarded as the basis for a comprehensive settlement of the Cambodian issue.

Indonesia's success in convening the JIM has also been praised by ASEAN's other dialogue partners such as the United States, New Zealand, Japan, and Canada.

ASEAN Dialogue Session Ends 8 July
*BK0807112689 Hong Kong AFP in English 1101 GMT
8 Jul 89*

[By Michele Cooper]

[Text] Bandar Seri Begawan, July 8 (AFP)—The Association of Southeast Asian Nations (ASEAN) Saturday ended three days of talks here with its major industrialized allies focusing on Asia-Pacific cooperation and Cambodia peace moves.

The annual session brought ASEAN members Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand together with the United States, Japan, the European Community, Australia, New Zealand and Canada.

A controversial Australian proposal for a new Asia-Pacific cooperation forum gained ground in the Brunei capital, with Australian Foreign Minister Gareth Evans saying a ministerial-level conference would go ahead in early November.

Through the closing news conference, the European Community continued to express reservations about the proposal, warning that such a forum could develop into an antagonistic trade bloc.

EEC Commissioner Abel Matutes said European nations objected to being excluded from trade talks involving a region where they send almost 50 percent of their exports.

Mr Evans, who held that the forum should be limited to a "geographically regional process," said he would now be issuing formal invitations to the talks in Australia to the ASEAN six, the ASEAN dialogue partners minus the EEC, and South Korea. ASEAN nations, who had earlier been lukewarm to the forum proposals, were apparently reassured that the big economies of the region would not be allowed to dominate the trade talks, and were now prepared to participate in the initial stage, ASEAN sources said.

They backed Australia's position that an EEC presence was not appropriate, "at least not at this time," a delegate said.

The French minister-delegate for foreign affairs, Edwige Avice, in Brunei at the head of the EEC delegation, confirmed Saturday that China had agreed to participate in the international conference on Cambodia opening in Paris on July 30.

Mrs Avice told the closing news conference that China, one of the five permanent members of the United Nations Security Council, would be sending Foreign Minister Qian Qichen to the Paris talks.

ASEAN and its dialogue partners agreed on the need for a comprehensive political settlement involving all parties in Cambodia and for a supervisory body under U.N. aegis to oversee Vietnam's troop withdrawal and subsequent elections in the war-torn Indochinese nation.

Mrs Avice said Cambodian resistance leader Prince Norodom Sihanouk, who recently forecast failure for the Paris talks, would be in Paris next week for talks with French leaders before meeting the other Cambodian factions July 24-25.

In other business Saturday, ASEAN foreign ministers were unsuccessful in a bid to get Japan to cut interest rates on their huge outstanding yen loans, regional diplomats said. A high-level Japanese mission is to visit Kuala Lumpur on July 24 for further talks.

Meanwhile, ASEAN announced Saturday that Papua New Guinea has become the first country outside the region to sign a treaty of amity and cooperation in Southeast Asia.

Papua New Guinea has attended ASEAN ministerial meetings as an observer since 1976.

Agreement on Cambodian Conference

OW0807115289 Tokyo KYODO in English 1142 GMT
8 Jul 89

[Text] Bandar Seri Begawan, Brunei, July 8 KYODO—Six ASEAN countries and their dialogue partners, including the United States and Japan, ended annual

consultations here Saturday with agreement on an international conference for Kampuchean peace and initiatives for closer regional economic ties.

"There seems to be general agreement that the solution to the (Kampuchean) problem must be within a comprehensive political settlement," Brunei's Foreign Minister Mohamad Bolkiah said at a press conference.

"There was also valuable discussion on the convening of the international conference initiated by the French Government," he added after a three-day meeting.

All six ASEAN countries—Brunei, Indonesia, Malaysia, The Philippines, Singapore and Thailand—said they will attend the July 30-31 conference in Paris though some ASEAN sources are still doubtful if the meeting can settle the 11-year-old conflict for good.

Indonesian Foreign Minister Ali Alatas has said there are still many difficulties to be resolved before a durable, comprehensive solution to the problem can be achieved.

Speaking at a press conference after the meeting, Deputy French Foreign Minister Edwige Avice said, "more and more countries here have been encouraged after conversations (on Kampuchea) we have had."

She earlier told reporters that China has confirmed its participation in the peace negotiations.

The two-day peace talks at a ministerial level will be followed by month-long negotiations by senior officials, according to the French spokeswoman.

Avice represented the European Community at the annual meeting with the ASEAN countries.

Australia, Canada and New Zealand are the three other dialogue partners to ASEAN.

Avice also said Kampuchean resistance leader Prince Norodom Sihanouk will visit France next week.

Sihanouk is scheduled to meet Premier Hun Sen of the Vietnam-backed Phnom Penh government in Paris prior to the international conference.

Asked how she looks at prospects of the Paris conference, Avice told reporters, "we cannot prejudge the outcome of the conference before it is held."

"Certain questions of organization (to monitor Vietnam's troop withdrawal) are still being discussed," she added.

While Sihanouk calls for the presence of an international control mechanism under U.N. auspices to verify Vietnam's pullout, the Phnom Penh government and Vietnam are opposed to the idea.

At a press conference Friday, U.S. Secretary of State James Baker said there are indications that the Soviet Union may not oppose the deployment of U.N. peace-keeping forces in Kampuchea.

This is seen as a positive element toward closing the gap among four warring Kampuchean factions in view of the Soviet Union's influence over Vietnam and the Phnom Penh government, according to ASEAN sources.

On another major topic of discussion, Australian Foreign and Trade Minister Gareth Evans referred to an Asian and Pacific region ministers meeting and said, "we are very encouraged."

"A considerable consensus has emerged. Proposals (by Australia, the United States and Japan) on economic cooperation have now merged into one," he added.

ASEAN and its dialogue partners agreed to attend a ministerial meeting in November as proposed by Australia to promote economic and trade cooperation in the Pacific region, the world's fastest growing economy.

But Evans acknowledged some ASEAN countries' fears that the regional organization may be put into a secondary position in a bigger, wider forum which includes economic giants like the United States and Japan.

Indonesian Foreign Minister Alatas said, "we are aware of the prospects but we are also aware of the risks."

He said existing organizations, rather than setting up a new forum, should be used to boost regional economic cooperation at least initially.

"Let's start with what we have. Let's see how we can use it, expand it, adjust it toward something we are agree," Alatas added.

France's Avice on Schedule for Paris Conference
BK0807122989 Jakarta Domestic Service in Indonesian 1200 GMT 8 Jul 89

[Text] Indonesia and France will cochair the international conference on Kampuchea due to start in Paris on 30 July. Speaking to newsmen in Brunei Darussalam today, French Deputy Foreign Minister Mrs Edwige Avice said that previously, the international conference was set to start on 4 August. However, the schedule has been moved up following requests by a number of countries. Discussions on this were held between the ASEAN member countries and six dialogue partners, between ASEAN and the EC, and between Indonesia and France.

According to Mrs Avice, the international conference to be attended by over 18 countries will be preceded by 2 days of ministerial-level talks, followed by working-group talks, and again by ministerial-level talks. She said discussions on who will participate are still under way.

ASEAN Fails in Bid To Cut Yen Loan Rates
BK0807094089 Hong Kong AFP in English 0819 GMT 8 Jul 89

[Text] Bandar Seri Begawan, July 8 (AFP)—Foreign ministers of non-communist Southeast Asia failed Saturday to secure a commitment from Japan to cut interest rates on their huge outstanding yen loans, regional diplomats said.

The diplomats from the Association of Southeast Asian Nations (ASEAN) said that a high-level Japanese mission would visit Kuala Lumpur on July 24 for further talks on the issue.

The yen loans issue was revived here Saturday at talks between the ASEAN foreign ministers from Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand and their Japanese counterpart, Hiroshi Mitsuoka.

"Except for the decision to send the high-level mission, there has been no change in the Japanese position," Japanese Foreign Ministry spokesman Seiichi Kondo said after Saturday's talks.

The yen issue was first discussed during visits by then-Japanese Premier Noboru Takeshita to ASEAN members in May this year.

ASEAN wants Japan to cut interest rates on outstanding official development assistance (ODA) loans to the region to compensate for the yen's appreciation, which they say has made Tokyo richer but greatly increased their debt burden.

Malaysia, the worst hit of the ASEAN members, has seen its ODA yen borrowings totalling some 3.4 billion U.S. dollars in 1985 almost double to 6.1 billion U.S. dollars at the end of last year because of the yen's appreciation, Malaysian officials said.

Mr Takeshita offered to increase ODA loans to the region during his visits to the ASEAN members, except Brunei, in May this year but rejected calls for a cut in interest rates on outstanding yen credits, regional diplomats said.

Japanese officials said that the new ODA loans at lower interest rates pledged by Mr Takeshita however could not be used to prepay outstanding credits.

Mr Kondo said that the mission to Kuala Lumpur would exchange views on the yen loan issue and would include officials from Japan's foreign, finance and trade and industry ministries.

The mission will be led by Japanese Deputy Foreign Minister Takakazu Kuriyama, regional diplomats said.

Japan's net ODA loan disbursements to the ASEAN countries totalled 1.23 billion U.S. dollars in 1987, according to official Japanese statistics.

Japan reduced its ODA interest rate by one per cent through two cuts in January 1987 and April last year, Japanese officials said.

The interest rate varies for each of the ASEAN countries, depending on their per capita gross domestic product, they said.

The interest rate for Malaysia is 2.9 percent, the highest among the ASEAN members, officials said.

Abu Hassan Speaks on Loan Burden

BK0807102589 Kuala Lumpur BERNAMA in English
0941 GMT 8 Jul 89

[By Zainoor Sulaiman]

[Text] Bandar Seri Begawan, July 8 (OANA-BERNAMA)—Malaysia Saturday [8 July] drew Japan's attention to its yen loans which are burdening the ASEAN countries instead of sustaining their economic growth.

Malaysian Foreign Minister Abu Hassan Omar raised the issue during the closed-door session between ASEAN and Japan at the post ministerial conference, here, conference sources said.

The ASEAN countries found themselves landed with an enormous burden to fulfil their commitment in servicing the yen-denominated loans which had lost its aid element, he added.

"It tends to give rise to the feeling in my country that what the Japanese Government gives with one hand, it takes back twice as much with the other," he said.

ASEAN has made repeated requests to Japan to reduce interest rates on yen loans to developing countries.

In answer to these requests, Japan, in 1987, announced a reduction in interest rates on yen loans ranging from 0.25 to 1.25 percent. The previous rates were 1.25 to 5.5 percent depending on the level of per capita GNP of recipient countries.

While ASEAN welcomed further reduction of interest rates and some of the measures and new initiatives taken by Japan to fulfil its commitment to the economic well-being of the ASEAN countries, these measures also well-intended, were not enough to offset the enormous debt servicing of the yen dominated loans, sources said.

"This appreciation is beyond our control and not of our doing, but it has certainly brought about a situation where we now have to pay more than double for what we borrowed before the appreciation," conference sources quoted Abu Hassan as saying. No figures were disclosed.

At Saturday's meeting, Malaysia called for immediate follow-up action to find ways and means to alleviate the problem, conference sources said.

Daily on 'New' U.S. Position on Cambodia

BK0807030889 Bangkok THE NATION in English
8 Jul 89 p 8

[Article by Kawi Chongkitthawon in Bandar Seri Begawan: "A New US Position on Cambodia"]

[Text] If the speech made by US Secretary of State James Baker here on Wednesday [5 July] is any indication, it is clear that US policy towards Cambodia is changing in response to prevailing conditions.

Essentially, Baker brought up two important points that mark a change of attitude. First, Prince Norodom Sihanouk's negotiations with Premier Hun Sen are "crucial" to a settlement. Second, any interim government for Cambodia must exclude the Khmer Rouge.

Up until now, Washington has not been clear on these points, other than expressing support for ASEAN's position. The US has previously supported the idea of a quadripartite coalition government led by Sihanouk, for the interim period after the pullout of all Vietnamese troops. Now, ASEAN is hearing the the US would not support an interim government that included the Khmer Rouge.

In a press conference yesterday, Baker told reporters the US would prefer a government that does not include the communist resistance group, responsible for the deaths of more than one million Cambodians during its years in power (1975-78).

For the past decade, US policy has simply reflected support for ASEAN's position on Cambodia. But one can now detect a feeling, underlying Baker's speech, that while Washington still supports ASEAN's determination for a comprehensive political settlement, a partial settlement is not out of the question.

Baker's reference to the Sihanouk-Hun Sen negotiations is an interesting development. By stressing that such negotiations could lead to a political accord, he suggests a growing recognition by the US of the importance of the Vietnam-backed Phnom Penh government. Sihanouk and Hun Sen will meet in Paris later this month for another round of peace talks.

US officials attending the ASEAN post-ministerial conference here have vehemently denied that Washington is ready to accept the Hun Sen government. Despite the denial, what Baker is saying is that any outcome or negotiation acceptable to Sihanouk is acceptable to the US.

A US State Department official said that if Sihanouk and Hun Sen are able work out an agreement that produces a stable and independent Cambodia, the US would have no objection to it.

It is interesting to note that while Baker's speech indicated changes in policy, the closed-door session Baker had with ASEAN foreign ministers served to state the obvious: that the US continues to back ASEAN's position, and that those who support Sihanouk must look at what they can do to strengthen the non-communist resistance (NCR) forces of Sihanouk and Son Sann. Baker chose not to focus on the interim government, as ASEAN countries support the inclusion of the Khmer Rouge.

More than US officials like to admit, their government's policy towards Cambodia, particularly towards the current Phnom Penh government, is changing. This has resulted from a realistic look at present conditions in Cambodia; of the growing economy of Phnom Penh, and the diminishing military will and cohesion of the resistance forces as the Vietnamese pullout grows near.

Secondly, it reflects a new pragmatism in the Bush administration about Hun Sen. The view seems to be that, since he is here to stay, it is better to attempt to make friends, to influence him, than to reject outright any dealings with him. His government, after all, controls 95 percent of Cambodian territory, and most of its 8 million people.

In addition, in line with Prime Minister Chatchai Chunhavan's initiatives—a policy which had earlier drawn much criticism from the US—Washington now realizes that it has to respond to prevailing conditions in the region, especially rapid changes which have taken place in the past nine months, if it wants to retain a positive role in Southeast Asia.

Deliberately or not, Baker in his speech echoed Chatchai's slogan that "the day is near when Indochina can be transformed from a battlefield into a marketplace." This could be seen as a compliment to Chatchai, demonstrating that the US is no longer unhappy with the Thai premier's friendly policy towards Indochina.

From this, it becomes obvious that the US is renewing its interest in the region, which is more than skin deep. Its stake is high, because it is inevitably linked to the emerging perception of a different America. In the past several years, images of the US in the region were mostly negative, ranging from "the declining power" to "the ugly protectionist."

Without a realistic approach to the region, the US role will certainly be diminished and replaced by the Soviet Union, who is gaining influence within non-communist Southeast Asia. ASEAN is weary of US protectionist measures, such as US threats of trade retaliation against Thailand, which has had a great impact on the thinking of Thai people.

At the same time, the Soviet Union has of late been perceived in a more positive light. Its role in the Cambodian peace process has been recognized by ASEAN. It has expressed its desire to purchase more goods from Southeast Asia, and to capitalize on the growing frustration with Washington's trade policy. *Perestroika* and *glasnost* have already taken Europe by storm. Perhaps Southeast Asia could be the next target. However, Baker noted that during his meeting with ASEAN foreign ministers he did not see them expressing the same enthusiasm for Soviet President Mikhail Gorbachev's personality as was shown in Europe.

Even so, the US should not be complacent. For ASEAN no longer sees the US as an indispensable power in this part of the world.

Editorial on Prospects of Cambodia Meeting
BK0807100789 Kuala Lumpur NEW STRAITS
TIMES in English 6 Jul 89 p 10

[Editorial: "Meeting in Paris"]

[Text] Prince Norodom Sihanouk does not hold out much hope for an agreement at the international conference on Kampuchea in Paris next month. The Prince bases his pessimistic prognosis on the differences in positions that persist between the three-faction coalition led by him and the Phnom Penh regime. However, gloomy prediction notwithstanding, Prince Sihanouk will attend the conference, even if it is only in the capacity of observer.

All ASEAN member countries will also be present in Paris in August because they cannot ignore an opportunity to explore the possibility of a comprehensive political solution to the Kampuchean problem. Prominently prompting the discussions in Paris will be the September 30 deadline for the complete withdrawal of all Vietnamese troops from Kampuchea. Assuming the Vietnamese do not get cold feet and decide to dig in their heels, the situation in Kampuchea will become either amenable to a political arrangement between the various Kampuchean factions or fraught with conflict as the various factions contest for military domination.

The latter possibility will be a tragedy for the Kampuchean people. One of the obstacles to a political settlement at the moment is the baulking of the Vietnamese at allowing UN monitoring of the withdrawal. After so many years of fighting, it is difficult to persuade people to give up their hard-earned suspicions. The Coalition Government of Democratic Kampuchea (CGDK) has

expressed fears that Vietnam may be disguising the continuing presence of armed personnel in the midst of the thousands of Vietnamese who have settled in Kampuchea. Such fears can be easily answered. If Vietnam is genuine about its intentions of leaving Kampucheans to work out their own fate, if Vietnam really wants to break out of its diplomatic and economic isolation, there is no real reason why it should reject the non-partisan presence of the UN.

If the withdrawal of Vietnamese troops can be verified by the UN, then the onus is on China to fulfil its promise of halting military aid to the various factions of the CGDK. Similarly, the confirmation of a Vietnamese-free Kampuchea will prompt Thailand to interdict arms shipments to the resistance factions and to deny the use of sanctuaries on Thai territory. Now that there is a possibility of free elections in Kampuchea, now that practically every one is for the independence and neutrality of Kampuchea, Vietnam should not allow a relatively minor question of verification to scuttle the prospects of peace. Peace in turn will open the doors to international aid that will help in the re-construction and development of not only Kampuchea but also Vietnam and Laos.

The Phnom Penh regime insists that it is not afraid of a multi-party election, that Kampucheans are grateful for all that it has done in the past decade. That assertion cannot be believed as long as there are thousands of Kampucheans in refugee camps in Thailand, and as long as their leaders in the CGDK cannot be persuaded of the honourable intentions of the governments in Phnom Penh and Hanoi.

Daily on U.S., ASEAN, Cambodia Settlement
BK0807031689 Bangkok *THE NATION* in English
8 Jul 89 p 8

[Editorial: "US, ASEAN and Cambodia"]

[Text] In a joint communique at the end of their meeting in Bandar Seri Begawan earlier this week, ASEAN foreign ministers merely "noted the recent trends and developments" in the Asia-Pacific concerning proposals for a new regional mechanism to enhance economic cooperation.

ASEAN's lukewarm response to the proposals is not unusual as the six-nation grouping sees no clear concrete gains from a new Asian-Pacific forum.

ASEAN already has the United States, Canada, Japan, Australia, New Zealand and the European Community as its dialogue partners. ASEAN foreign ministers meet their counterparts from the dialogue partners in joint formal meetings and in separate closed meetings after each annual ASEAN ministerial meeting.

This year ASEAN has also accepted South Korea as a sectoral dialogue partner in trade, investment, tourism and other non-political issues. ASEAN may soon establish similar a relationship with China, the Soviet Union, Indochina and perhaps even Burma.

What then will an Asian-Pacific forum add to what ASEAN already has? Apparently not much.

ASEAN is in fact more interested in the ASEAN-US initiative on closer economic cooperation. But so far this concept has only been jointly studied by researchers from both sides. The United States is in no rush because it would rather deal with individual ASEAN members on a bilateral basis than with ASEAN as a group. On the other hand, ASEAN members, especially those who export agricultural and tropical products, would like to see the United States address their grievances against American farm subsidies and the anti-palm oil campaign in the multilateral negotiations of the Uruguay Round.

Secretary of State James Baker talked in Brunei about the United States acting as "the catalyst for Pacific cooperation" and called for "a new mechanism" for regional cooperation. But he ignored certain facts: the United States is now at odds with China over the Tiananmen massacre; the United States is threatening trade sanction against Japan; the United States has also marked South Korea, Malaysia and Thailand for possible trade retaliation; and the United States has yet to establish diplomatic ties with Vietnam. Realistically speaking, Japan is in a much better position than the United States to lead cooperation in the Asia-Pacific region, assuming that the Liberal Democratic Party will soon be able to get its political house in order.

On the regional security, ASEAN and the United States also do not see eye to eye on a few key issues, like the creation of a zone of peace, freedom and neutrality (ZOPFAN) in Southeast Asia, which will include making the region a nuclear weapon free zone. The United States opposes the nuclear free zone on the grounds that it undermines its global nuclear deterrence strategy.

On Cambodia, one bright spot in the Bush administration's policy toward Cambodia is a new tacit acceptance of the Phnom Penh government of Hun Sen. Now Washington will accept whatever agreement Prince Sihanouk may make with Hun Sen.

However, a new disagreement between ASEAN and the United States emerged in Brunei when Baker indicated that the United States opposed the participation of the Khmer Rouge in any provisional Cambodia Government. ASEAN still sees a need to include the Khmer Rouge in a four-party provisional government to be led by Prince Norodom Sihanouk.

The US abhorrence of the Khmer Rouge is understandable. But Baker did not say how to exclude the Khmer Rouge, which is the most powerful military force in the

Cambodian resistance. The Bush administration's initiative to send "lethal aid" to the non-communist Cambodian resistance forces of Prince Sihanouk and Son Sann is not a practical solution because it will lead to more bloodshed. Thailand and some ASEAN members do not like the idea.

Being a superpower, the United States is obviously ill at ease when it comes to dealing with a regional issue as complicated as the Cambodian conflict. The United States should not be pushing so hard just to demonstrate its much heralded new commitment to this region.

Japan

Ministry To Urge Dismissal of U.S. Complaint *OW0707102789 Tokyo KYODO in English 0954 GMT 7 Jul 89*

[Text] Tokyo, July 7 KYODO—The Transport Ministry will urge the U.S. Trade Representative (USTR) to dismiss a trade complaint filed against Japan by a U.S. shipbuilding industry group in June, ministry officials said Friday.

Documents to this effect will be sent through the U.S. Embassy within next week at the earliest, they said.

The U.S. industry group complained that Japanese shipyards receive large government subsidies while their U.S. competitors are having difficulties in getting orders for new vessels.

It filed the complaint with the USTR on June 8 under Section 301 of the 1974 U.S. trade act. The USTR is expected to decide by July 23 whether or not to accept the complaint.

According to the ministry officials, Japan will express its opposition to the way the U.S. pushes demands for concessions under the threat of trade sanctions.

It will argue that the Japanese Government follows relevant agreements of the Organization for Economic Cooperation and Development (OECD) in providing subsidies. It will also say that demanding bilateral negotiations is not fair, according to the officials.

The documents calling for dismissal of the trade complaint will also include concrete refutations of the 10 points about which the U.S. industry group complained, the officials said.

U.S. Says No Harm Caused by Lost Hydrogen Bomb *OW0607135389 Tokyo KYODO in English 1244 GMT 6 Jul 89*

[Excerpt] Tokyo, July 6 KYODO—Radioactive material from the hydrogen bomb which the U.S. lost in waters off Okinawa in 1965 dissolved and settled on the ocean floor, and is causing no environmental harm, the U.S. reiterated in a recent reply to Japan.

The Foreign Ministry said Thursday in a six-point reply to Tokyo's request for fuller information, the U.S. said it did not know at what depth the bomb was structurally destroyed, or the exact nature of thermal currents in the accident zone.

But the U.S. said in its second reply following the May report, that laboratory tests indicated that radioactive material released by the structural failure of the bomb

would have dissolved within 30 days after the accident, settled on the ocean floor, and over time been buried by additional sedimentation, the ministry said.

The U.S. added that it had no intention of conducting a survey in the area, and was convinced from the results of laboratory simulations that no environmental damage had been caused by the incident.

That view has been supported by preliminary results of an environmental survey in the accident area recently carried out by Japan's Science and Technology Agency, which on Thursday released a provisional report saying no extraordinary radioactivity had been found in the waters where the bomb reportedly sank.

It said the amount of plutonium from fish and water samples taken from the area showed no noticeable difference from those taken from waters near the coast of Japan's main islands.

The hydrogen bomb was lost in an incident that occurred on December 5, 1965, in which an A-4E Skyhawk rolled off the aircraft carrier Ticonderoga and sank in waters 320 kilometers east of Okinawa.

The incident only recently became public knowledge after an environmental group obtained previously classified reports about it under the U.S. Freedom of Information Act, and passed the information along to an American weekly news magazine. [passage omitted]

Uno, South Korea's No Discuss Summit Issues *OW0707124989 Tokyo KYODO in English 1136 GMT 7 Jul 89*

[Text] Tokyo, July 7 KYODO—Prime Minister Sosuke Uno told South Korean President No Tae-u on Friday that he will work to win a favorable assessment of the role of the newly industrialized economies (NIES), including South Korea, at the Paris summit of seven industrial nations, Foreign Ministry officials said.

During a 15-minute telephone talk through interpreters, No stressed that advanced nations should avoid unilateral demands that NIES liberalize their markets, the officials said.

Uno, who telephoned No to listen to the views of South Korea on the summit, said Japan will attend the July 14-16 Paris summit as a member of the Western bloc and the Asia-Pacific region and pointed out that NIES are playing a big role in the international economy.

The prime minister said the summit comes at a time of prolonged Western economic prosperity and new developments in relations between East and West.

Uno added that the Paris summit will be an important one for consolidating Western unity and that issues will be discussed in which South Korea is interested, namely adjustments to policies on international economy and trade.

Uno said he is looking forward to seeing No when No visits Japan.

No replied he hopes a visit will be realized at a time which is convenient for both countries.

No's scheduled visit to Japan has been postponed twice, last year and this year, first due to the late Emperor Hirohito's illness and then due to Japan's domestic political situation.

Uno Urged To Be Cautious on China at Summit
OW1007111789 Tokyo KYODO in English 1056 GMT 10 Jul 89

[Text] Tokyo, July 10 KYODO—Three former prime ministers urged Prime Minister Sosuke Uno on Monday not to isolate China from the international community, Liberal Democratic Party (LDP) sources said.

Zenko Suzuki, Yasuhiro Nakasone and Noboru Takeshita all filed this request with Uno, who paid a round of calls on four of his predecessors in advance of attending the Paris summit of seven major economic powers July 14-16.

Another former prime minister, Takeo Fukuda, asked that Uno make efforts to help settle Third World debts problems, the sources said.

Suzuki and Nakasone asked Uno to oppose any international move to take sanctions against China for its bloody crackdown last month on the pro-democracy movement.

Takeshita voiced appreciation at the Japanese Government's prudent response so far to the events in China, the sources said.

Uno told Fukuda that he will meet in separate sessions with leaders of the United States, Canada, Britain, France, Italy and West Germany while attending the Paris summit.

Uno is scheduled to leave Tokyo on Wednesday for Paris and return to Tokyo on July 18.

Paris Summit Agenda, Japanese Position Viewed
OW0607120789 Tokyo KYODO in English 1034 GMT 6 Jul 89

["Debt, Environment Issues Seen High on Paris Summit Agenda (by Masanori Kikuta)"]—KYODO headline]

[Text] Tokyo, July 6 KYODO—Leaders of the seven largest industrial countries gather in Paris next week for their annual summit amid unusually long economic expansion clouded by mounting inflationary pressure, the Third World debt problem and growing environmental hazards.

The July 14-16 summit will be timed with the bicentenary of the French revolution, which is to be celebrated by a Champs-Elysees parade of historically clad figures, performance of selected famous opera scenes marking completion of a new opera house and other festivities.

But the heads of state and government of Japan, the United States, Canada, Britain, West Germany, France and Italy, joined by the head of the European Community (EC) Commission, face a host of serious problems that challenge the gala mood.

French President Francois Mitterrand said during his visit to the U.S. in May that the debt and environmental issues will be on top of the summit agenda. Mitterrand proposed at last year's seven-nation summit in Toronto that one-third of the debts of the world's poorest nations be written off.

The industrial world has enjoyed steady economic growth in the past seven years "in the shade of environmental destruction and Third World debt woes," Japanese Deputy Foreign Minister Michihiko Kunihiro said in a recent interview.

Also high on the agenda will be human rights—the main theme of the 1789 French revolution—focused into worldwide attention and concern by China's bloody crackdown on pro-democracy demonstrators in early June, according to Kunihiro and other government officials. France plans to issue a new, terse declaration on human rights and a separate statement on the Chinese issue, the officials said.

Among other topics will be subjects discussed in the past, such as East-West relations, regional conflicts, economic policy coordination and world trade, they said.

On the debt issue, the summiteers' attention will be focused on Japan's role in the U.S.-initiated new rescue plan unveiled in March by Treasury Secretary Nicholas Brady, which features partial debt forgiveness, another senior Foreign Ministry official said.

The official, who spoke on condition of anonymity, said Japan will pledge two new relief programs of its own at the summit as part of the Brady Plan.

One will be a fiscal 1990-92 program calling for 600 million dollars in grants to the poorest countries, mainly in Sub-Saharan Africa. The program, based in principle on the Mitterrand proposal, will succeed Japan's present 500 million dollar grant scheme in fiscal 1987-89 ending next March.

The other program, targeted a middle-income nations such as Mexico, will recycle part of Japan's massive trade surplus in official development assistance over the next three years, the official said.

It will follow a similar, 30 billion dollar program covering the three years to fiscal 1989. He did not give further details but government sources said Japan is considering boosting the amount to 50 billion dollars under the new program.

Environmental problems up for summit discussion include the threat of global warming by burned fossil fuels, known as the greenhouse effect, and depletion of the ozone layer that shields the earth from harmful solar radiation.

Kunihiro, who is Prime Minister Sosuke Uno's personal representative to the summit, said the leaders will pledge strong support to international efforts to fight the problems rather than dwell on specific measures.

The Uno government announced in late June an environmental policy statement committing Japan to a leading role in formulating an international framework for protection of the earth's climate, including a treaty on prevention of the planet's warming.

The statement mirrors a French-led proposal at a meeting of 24 nations in The Hague in March to establish a world environment authority to protect the planet. The fate of the proposal at the summit depends on the U.S. and Britain, which did not send delegates to the French-organized meeting in the Dutch capital, Japanese Government officials said.

The Chinese issue is a "very intricate" problem which Japan would hope to be given less attention than other topics at the summit, a government official said. Another official expressed hope that the Chinese situation "will remain quiet until the summit is over."

The remarks reflect consideration of Japan's far closer historical, geographical and economic ties with China than those of the other six summit nations.

Japan wishes the summit will produce basic agreement that the military crackdown cannot be justified but that China should not be isolated from the rest of the world, officials said. Japanese Foreign Minister Hiroshi Mitsuzuka and U.S. Secretary of State James Baker agreed to that effect during their meeting in Washington last month.

But indications are that a summit statement will be issued at the strong urging of European leaders, accusing China of inhuman action and possibly calling for concerted sanctions, government sources said.

Japan may have no choice but to reluctantly agree to such a statement, excusing itself by saying that it has already joined the other summit nations in imposing unannounced sanctions in effect—suspending economic aid and exchanges of senior officials, the sources said.

Joining Mitterrand and Uno at the 15th summit will be U.S. President George Bush, Canadian Prime Minister Brian Mulroney, British Prime Minister Margaret Thatcher, West German Chancellor Helmut Kohl, Italian Prime Minister Ciriaco de Mita and EC Commission President Jacques Delors. The leaders will be accompanied by their foreign and finance ministers.

The gathering will be the first in a third round of seven annual summits, launched in 1975 by then French President Valéry Giscard d'Estaing.

It will be Uno's first test of his diplomatic ability. But political analysts doubt Uno, foreign minister until he assumed the premiership June 3, will be able to say anything convincing to his colleagues because of his shaky domestic political base, jeopardized by disclosure of his alleged sexual indiscretions in the past and prospects of the ruling Liberal Democratic Party suffering critical losses in the July 23 upper house elections.

The host government has named the Paris session the Arche Summit after the new, 36-story building that houses a main summit room at the top. The structure is a huge cube with its center hollowed out down to the ground to form an arch.

Leaders of more than 30 countries, including the summit seven, will also gather in the French capital for the bicentennial celebrations, to be punctuated by scores of bilateral meetings for two days before the summit starts on the evening of July 14.

Among the nations will be India, Pakistan, the Philippines, Argentina, Brazil, Mexico, Greece, Portugal, Yugoslavia, Egypt, Uganda and Zaire.

Foreign Minister Comments

OW1007132189 Tokyo KYODO in English 1255 GMT
10 Jul 89

[Text] Tokyo, July 10 KYODO—Economic assistance to Eastern Europe will be on the agenda of a U.S.-Japan bilateral summit meeting on Friday, the opening day of the seven-nation economic summit in Paris, Japanese Foreign Minister Hiroshi Mitsuzuka said Monday.

Mitsuzuka indicated that before announcing actions of its own, Japan is waiting to see what proposals U.S. President George Bush will announce during his current visit to Poland and Hungary.

Bush is expected to announce that he has asked the U.S. Congress to extend 100 million dollars in grant assistance to certain countries in Eastern Europe.

Bush is also expected to call for an expansion of loans from international financial organizations, propose a rescheduling of cumulative foreign debt repayments and promote nongovernmental-level economic exchanges with Eastern Europe.

Japanese Government ministries and agencies, meanwhile, are reportedly studying a plan to approve untied loans to countries in Eastern Europe from the Export-Import Bank of Japan.

During the Paris summit meeting, Japan will announce another initiative to accept Hungarian and Polish technical trainees and to send research missions to several East European countries to assess how Japan can help solve their environmental problems.

While Japan cannot expand its official development assistance (ODA) to Eastern Europe because of the relatively high-level of income in those countries, it plans instead to help them promote economic efficiency and to increase Ex-Im Bank loans.

Japan promised last April it would provide Hungary with 8 billion dollars in Ex-Im Bank loans to help strengthen its industries and boost export capacity through plant equipment investment.

Spokesman: No Objections to Summit Statement
OW0707114189 Tokyo KYODO in English 1114 GMT 7 Jul 89

[Text] Tokyo, July 7 KYODO—Japan is not opposed to China's being mentioned specifically by name in a communique or separate statement issued at the July 14-16 Paris economic summit of seven major industrialized nations, a Japanese Foreign Ministry spokesman said Friday.

"We have no objections to China's being named," said spokesman Taizo Watanabe in regard to any statement issued about the Chinese Government's bloody crack-down on pro-democracy demonstrators.

Watanabe was responding to reports that Japan opposes any direct reference to China, in line with its policy of not favoring steps which might provoke China into isolation from the international community.

"But the semantics involved are a matter which must be discussed," the spokesman added, hinting at Japan's opposition to any "condemnation" of China in the summit's final documents.

On reports that Japan will press for any criticism of China to be contained in a separate statement outside the summit's official final communique, Watanabe told foreign correspondents such a division is "quite probable."

"Aside from (a likely statement on) human rights, there is a probability that some consensus will be built on having the special statement issued on China," he explained.

The spokesman acknowledged that summit members will likely run into differences on the wording to be employed, but said, "in our fundamental positions toward China, we are no different from one another."

"It's a matter of semantics—whether it be 'condemnation,' 'criticism,' ... 'regret,' or a statement to the effect that the actions 'cannot be condoned,'" Watanabe explained.

"As to the measures Japan has taken, some people explain similar measures taken by other governments as 'sanctions,' but we do not describe them that way," he said.

Watanabe said Japan would not be opposed to a minimal expression of "regret." "We have already done that," he said, referring to statements issued following the June 4 slaughter in Beijing's Tiananmen Square.

The spokesman said that semantics aside, Japan aims to get "a birds-eye view" of fellow summiteers broader policies toward China and assess the specific actions they have actually taken.

He characterized Japan's policy on China as tailoring words and actions to serve "a long-term objective."

That policy takes into consideration how Japan can best "encourage China in the direction of continued reform and an open-door-policy," he explained.

"It is not an appropriate policy from a longer and broader perspective to isolate China or push China toward further rapprochement with the Soviet Union," Watanabe said.

"But we do agree that we should make our positions clear as to infringements on human rights," he added.

Watanabe said that Japan would be satisfied to find that its summit counterparts hold an identical "long-term objective." If that happens, he said, there should be no need to "condemn" China.

Uno To Propose Environmental Issue at Summit
OW0907135889 Tokyo KYODO in English 1221 GMT 9 Jul 89

[Text] Tokyo, July 9 KYODO—Japanese Prime Minister Sosuke Uno will propose at the Paris summit of seven major industrialized nations the formation of an international satellite observation network to cope with environmental pollution on the earth, government sources said Sunday.

The sources said Uno will propose at the July 14-16 summit formation of the network to probe the destruction of the ozone shield and warming of the earth.

Japan plans to launch a satellite in the near future for observation of the earth.

Uno will also propose to offer 300 billion yen in official development assistance (ODA) over three years to contribute to environmental protection in developing countries, the sources said.

Japan has offered a yearly average of 60 billion yen of environment-related ODA.

The sources also said Uno will propose to increase Japan's donations to the United Nations Environmental Program and other international bodies to build up international cooperation for that purpose.

Japan will make the proposals to promote international cooperation on the environmental problem, probe the mechanism of genesis of pollution and harmonize development and environment in developing countries, the sources said.

The sources said Japan wants to take the initiative in discussion of the environmental problem, one of the focuses of the Paris summit.

JSP Calls for Stressing Peace, Human Rights
OW0607101189 Tokyo KYODO in English 0933 GMT 6 Jul 89

[Text] Tokyo, July 6 KYODO—The Japan Socialist Party [JSP] called on Thursday for changing the annual summit of seven major industrialized nations into a forum which will emphasize the protection of peace, human rights and the environment.

The summit should stress such universal values for human beings rather than solidarity among major industrialized nations, the country's No. 1 opposition party said in a statement.

The JSP's Policy Board Chairman Shigeru Ito filed the document with Takamori Makino, the deputy chief of staff of Prime Minister Sosuke Uno, JSP officials said.

The statement also urged the Japanese Government to propose tightening controls on the use of chlorofluorocarbons (CFCs), ask the United States to reduce trade and budget deficits, resist trade protectionism and to oppose liberalization of farm produce imports.

Uno is scheduled to leave Tokyo for France on July 12 to represent Japan at the July 14-16 Paris summit.

The JSP statement also proposed the holding of an enlarged summit meeting of leaders from the democratic, communist, and developing countries.

Uno To Propose New Surplus Recycling Plan
OW0507124789 Tokyo KYODO in English 1207 GMT 5 Jul 89

[Text] Tokyo, July 5 KYODO—Prime Minister Sosuke Uno will announce a new trade surplus recycling plan expected to amount to 50 billion dollars at the upcoming summit meeting of seven industrial nations in Paris, government sources said on Wednesday.

The sources said government officials are now finalizing the amount which will be spent over three years promoting the economic recovery of developing nations.

The recycling plan, which follows a 30 billion-dollar program begun in fiscal 1987, is designed to pass Japan's huge trade surplus onto developing nations and to take leadership in the summit which will discuss how to help debtor nations, they said.

Japan's trade surplus amounted to 95 billion dollars in Fiscal 1988 which ended in March this year.

The new recycling plan will focus on "program loans" by the Overseas Economic Cooperation Fund (OECF), and loans by the Export and Import Bank of Japan and international financial institutions, the sources said.

The first recycling plan has focused on financing economic reconstruction in developing nations and assisting debt repayment in the form of loans by the Export and Import Bank, commercial banks and the World Bank, and through Japanese official development assistance (ODA).

Officials said 92 percent of the first project has been attained so far.

Apart from the recycling plan, Japan has already decided to announce at the Paris summit that it will provide 600 million dollars in grant-in-aid to Sub-Saharan African nations over three years from 1990, and the creation of a new fund to be set up at the International Tropical Timber Organization (ITTO) for tree planting.

Spokesman Uses 'Condemn' in Referring to PRC
OW1107101789 Tokyo KYODO in English 0944 GMT 11 Jul 89

[Text] Tokyo, July 11 KYODO—Japan has hardened its rhetorical line in commenting on the recent events in China by adopting the words "condemn" and "repressive" in a statement made Tuesday by a Japanese Foreign Ministry spokesman.

Spokesman Taizo Watanabe, in a biweekly meeting with foreign correspondents, used the words for the first time since the June 4 massacre in Beijing's Tiananmen Square.

The harsher tone adopted is believed to be in preparation for the July 14-16 Paris economic summit of seven major industrialized nations, which is expected to issue a communique condemning China.

"The fundamental position of Japan is that, on the one hand, we will keep expressing our regret and condemn China for the killing and some of the actions they have committed," Watanabe said.

"At the same time, we hold the position that we should not lose sight of the long-term future directions of our policy, in which the modernization and open-door policy of China should be maintained," the spokesman said.

In addition to officially endorsing the use of the term "condemn," Watanabe used it in referring explicitly to killings. Japan previously had expressed its concern indirectly, referring only to "what happened" as a result of the government's actions.

Watanabe insisted that the new phraseology is consistent with that used by the government in the past.

Only last Thursday the spokesman hinted at Japan's opposition to any use of the term "condemn" in any summit reference to China and told reporters that summitters were likely to run into "semantic" difficulties in discussing China.

At that time, he said Japan favored tailoring words and actions to serve a "long-term objective": that of not isolating China, which might jeopardize its reform program and open-door policy, or push it toward further rapprochement with the Soviet Union.

"In our official statements we did not use the word condemn, that is true," Watanabe said Tuesday.

But he noted that newspapers have viewed the words chosen by the Japanese Government to describe its position on the events in China as "synonyms to the action in which one can use the word 'condemn.'"

Japan on June 4 expressed only "concern" when details surrounding the "killings" were still not known, switching the following day to "extreme regret" when they became clearer.

Japan subsequently adopted a description of the event as unpardonable from a "humanistic viewpoint," he said.

The spokesman paraphrased Foreign Minister Hiroshi Mitsuoka as saying later in the Diet that "some of the repressive measures taken by the Chinese Government" are incompatible with Japan's democratic values.

But the Foreign Ministry spokesman pointedly continued to oppose using the term "sanctions" in describing the "measures" taken by Japan following the Tiananmen incident. These included suspending high-level contacts and "putting on hold" economic aid.

"Sanction" is different," Watanabe said. "Sanction" is something we feel should be used in some different circumstances... (such as when) our rights were infringed upon or laws were violated."

Japanese officials had also avoided describing the halting of economic aid to China as a "suspension," but later reluctantly characterized the move as a "de facto suspension."

The Foreign Ministry at first stated that the stoppage was compelled purely by logistical considerations and was not "politically motivated."

But while the ministry said then a resumption of aid would be contingent on a return to "physical tranquility," it later tacked on such vague preconditions as China's "lending an ear to world opinion" and taking consideration of its "relations with other countries."

Watanabe said that he hopes that other summit nations will understand Japan's "long-term" position on China.

"So far, the exchange of views taking place indicates that there is not any fundamental difference on positions," he said.

Uno Rebukes Ministers for Controversial Remarks

OW1107062489 Tokyo KYODO in English 0453 GMT
11 Jul 89

[Text] Tokyo, July 11 KYODO—Prime Minister Sosuke Uno on Tuesday rebuked two cabinet members for making controversial remarks and urged all cabinet ministers to speak cautiously, government spokesman Masajuro Shiokawa said.

Shiokawa, the chief cabinet secretary, told a news conference that Uno issued the reprimand to Hisao Horinouchi, minister of agriculture, forestry and fisheries; and Home Affairs Minister Shigenobu Sakano during a cabinet meeting.

Shiokawa said Horinouchi and Sakano offered to resign from the cabinet but he persuaded them to stay in office.

Horinouchi, in a campaign speech last Friday, said "are women useful in the political world?" and that women should stay at home. Because Japan Socialist Party (JSP) Chairwoman Takako Doi is unmarried and has no children, she cannot serve as prime minister, he said.

Sakano, speaking at a gathering on Sunday, said, "A lot of small change is needed as long as the consumption tax is 3 percent..."

He said, "There would be fewer coins if the percentage were the even number of 4," hinting that he favored raising the tax rate.

Uno regretted that the two ministers spoke carelessly about state affairs or against government policies, Shiokawa said.

The prime minister called on all cabinet ministers to speak cautiously in election campaigns, Shiokawa said.

Sakano told a news conference later that he has no intention of taking back his remark, saying that he did not call for raising the tax rate to 4 percent.

Horinouchi apologized and retracted his remarks on Saturday.

The ruling Liberal Democratic Party [LDP] lost to the JSP in a House of Councillors by-election in Niigata Prefecture on June 25 and suffered a serious setback in the Tokyo Metropolitan Assembly election on July 2.

The LDP's defeats were blamed chiefly on the Recruit influence-buying scandal, the introduction of the consumption tax in April and Uno's alleged extramarital affair with a geisha.

Foreign, Finance Ministries Differ on ODA

OW0607154489 Tokyo KYODO in English 1415 GMT
6 Jul 89

[Text] Tokyo, July 6 KYODO—The Foreign Ministry will seek a raise of more than 10 percent in its official development aid (ODA) budget for Fiscal 1990, ministry officials said Thursday.

The officials said Japan promised in May last year to extend a total of 50 billion dollars in ODA in Fiscal 1988-92. Japan also pledged a steady improvement in the ODA-to-GNP ratio, which was 0.32 percent last year.

The officials said the yen has depreciated against the U.S. dollar from the Fiscal 1988 level. If Japan is to raise the ODA-to-GNP ratio to the average of the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD)—0.35 percent—the Fiscal 1990 yen-based ODA budget will have to be raised by at least 14.1 percent from the original fiscal 1989 budget, even assuming that the exchange rate is 130 yen to the dollar, the officials said.

On the other hand, Finance Ministry officials said a 7-8 percent growth in the yen-based ODA budget will be sufficient for Fiscal 1990, beginning next April 1.

As a result, budget negotiations between the two ministries are now "in rough waters, Foreign Ministry officials said.

Foreign Ministry Seeks ODA Boost

OW1107011489 Tokyo KYODO in English 1234 GMT
10 Jul 89

[Text] Tokyo, July 10 KYODO—The Japanese Foreign and Finance Ministries on Monday agreed to ask the Diet for a 9.4 percent increase in official development assistance (ODA) for Fiscal 1990, beginning next April, Foreign Ministry officials said.

The figure for the third year of Japan's fourth medium-term (ODA) target, as calculated by the Foreign Ministry, would amount to a ceiling of 71 billion yen, up from 54.7 billion granted in 1989, officials said.

The five-year ODA target, announced at the last economic summit meeting in Toronto, aims at increasing Japan's level of ODA to over 50 billion dollars between 1988 and 1992.

The new ODA budget ceiling, which was decided during a meeting between Foreign Minister Hiroshi Mitsuzuka and Finance Minister Tatsuo Murayama, falls short of the two-digit figure hoped for by the Foreign Ministry.

But foreign ministry officials said it is still a welcome rise in light of current budgetary restrictions.

Mitsuzuka argued for "at least" the same rate of increase as the preceding year, saying it is "indispensable" if Japan is to demonstrate an active interest in promoting global economic development.

He said it is necessary for Japan to offer developing countries both quantitative assistance, and that which is "effective and efficient," "meriting of praise" and "of high quality."

Mitsuzuka also urged Murayama to pay particular attention to the "urgent task" of improving the ODA administrative structure by increasing staff size, officials said.

Murayama replied that his ministry "would like to study the issue in the context of the budget formation process."

Sources said it was the first time the topic has been discussed at the ministerial level during the course of negotiating the budget for the coming fiscal year.

"The number of persons who are engaged in economic cooperation and aid implementation is comparatively small compared with other DAC countries," noted one ministry official, referring to countries on the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD).

"For example, Japan is the largest donor to Indonesia, but the number of (Japanese) people engaged in aid implementation there is much smaller than the number of U.S. aid officials," he said.

The Foreign Ministry has repeatedly expressed concern that the number of its aid personnel has not kept pace with the funds being allocated for development.

Without a stronger "human element," Japan's aid could become "faceless" and thus "fail to achieve the diplomatic objective of improving bilateral relations through economic cooperation," according to the ministry's annual report on ODA.

While the ministry is seeking development economists and technical specialists, it is hampered by a bureaucracy reform law which limits the number of civil servants that can be hired each year.

The Foreign Ministry is among those ministries limited to around 100 new recruits a year, said one official.

"That is not nearly enough for a country which administers the world's second largest aid program," the official said.

Defense Agency Seeks 6.9 Percent Budget Increase
OW0707153989 Tokyo KYODO in English 1151 GMT 7 Jul 89

[Text] Tokyo, July 7 KYODO—The Defense Agency will ask for 4,189.8 billion yen in appropriations for Fiscal 1990 starting next April, an increase of 270 billion yen or 6.9 percent over the 3,919.8 billion yen allotted under the fiscal 1989 budget, agency officials said Friday.

The Finance Ministry plans to hold the growth in the defense budget to slightly above 6 percent, ministry sources said.

The cabinet of Prime Minister Sosuke Uno will adopt guidelines on budgetary requests from ministries and agencies on Tuesday.

New Budget Ceiling Guidelines Planned
OW1007111189 Tokyo KYODO in English 1011 GMT 10 Jul 89

[Text] Tokyo, July 10 KYODO—Prime Minister Sosuke Uno's cabinet on Monday decided on a budgetary ceiling guideline for Fiscal 1990, beginning next April, which calls for a 3.1 percent rise in general account funding, according to government officials.

The cabinet is to give a formal green light to the guideline at its regular meeting scheduled Tuesday morning.

The 3.1 percent increase is the biggest growth pace since the Fiscal 1980 national budget in which a zero ceiling formula was introduced.

General expenditures, the total budget minus tax grants to local governments and public debt servicing costs, totals an estimated 35.1 trillion yen, up 1.05 trillion yen from the original budget in the current year.

Outlays on defense and official development assistance (ODA), which are regarded as so-called sacred cows, will rise 6.35 percent. The figure compares with a 6.1 percent gain in the year ending next March to 4,168.8 billion yen, and 9.4 percent, the same in the present year to 836.7 billion yen, respectively, the officials said.

Trade Ministry Urges Firms To Boost Imports
OW2106052589 Tokyo KYODO in English 0344 GMT 21 Jun 89

[Text] Tokyo, June 21 KYODO—International Trade and Industry Minister Seiroku Kajiyama called on major Japanese firms Wednesday to boost imports this year, saying that such efforts would greatly help improve the trade imbalance with the U.S.

Kajiyama, in a meeting with representatives of 313 leading manufacturers and trading houses, urged them to raise imports of manufactured goods in Fiscal 1989 by more than the projected increase of 14.9 percent, or about 69.85 billion dollars. The fiscal year ends next March 31.

The trade minister asked the firms to review their present import plans and revise them if they are below the actual amount of imports they achieved last year.

The 313 firms account for more than 60 percent of total Japanese imports and about 70 percent of total imports of manufactured goods last year.

Kajiyama stressed such efforts by Japanese firms would be a considerable help to Japan's pledge to become an importing superpower.

He encouraged companies which are already exporting heavily to increase imports, while urging all firms to promote imports of goods and parts they are producing abroad.

The 313 firms at present plan to import 20.84 billion dollars worth of machinery, 9.46 billion dollars in chemical goods and 8.53 billion dollars in textiles.

Imports from the U.S. are expected to increase 18.4 percent to about 20.74 billion dollars and those from the European Community 11.8 percent to some 17.66 billion dollars.

Present Wage Increase Below Last Year's

OW2206132589 Tokyo KYODO in English 1119 GMT
22 Jun 89

[Text] Tokyo, June 22 KYODO—The Labor Ministry said Thursday this year's rate of wage increases in the private sector was below that of last year in spite of booming business.

The ministry said an average worker won a monthly wage increase of 12,747 yen in the spring labor offensive, up 5.17 percent from a year before.

Allowing for a 2 percent inflation predicted by the government for the current fiscal year, the actual rate of increase was 3.1 percent compared with last year's 3.6 percent, it said.

This was found in a survey covering 290 major private enterprises with more than 1,000 workers and capitalized at more than 2 billion yen.

The ministry said construction workers got the largest monthly wage increase of 23,507 yen, followed by those in the newspaper and printing industry (17,085 yen), the wholesale industry (14,792 yen).

Wholesale industry workers had the top rate of wage increase of 6.11 percent, followed by the newspaper and printing industry (6.07 percent), the service industry (5.91 percent) and the construction industry (5.84 percent).

Prices of Most Goods Increase Since April

OW0507114389 Tokyo KYODO in English 0834 GMT
5 Jul 89

[Text] Tokyo, July 5 KYODO—Prices have shown a more than three percent gain since the consumption tax was introduced April 1, according to a survey by the Economic Planning Agency Wednesday.

The survey, conducted on about 4,200 price monitors around the country, mostly housewives, covered 29 items, including foods, miscellaneous goods and services, to which the three-percent tax is applied.

Food prices climbed 3.1 percent during the three months, while miscellaneous goods and service prices registered a 3.3 and 3.5 percent advance, respectively.

Of the 29 items, eight declined in price, as the abolition of product-by-product tax more than offset the addition of the consumption tax. For example, durable goods prices were down 6.4 percent since April.

North Korea

Foreign Lawyers Issue Statement on Yim's Return

SK1007161389 Pyongyang KCNA in English
1601 GMT 10 Jul 89

[Text] Pyongyang July 10 (KCNA)—Lawyers and law students of different countries who participated in the 13th World Festival of Youth and Students issued a statement here.

The statement says:

The Korean people's right to independent and peaceful reunification of the country is a legitimate one emanating from the people's right to self-determination, the fundamental principle of international law.

Yim Su-kyong, student of the University of Foreign Studies in Seoul, the only participant in the festival who has come from South Korea after making a long detour around many countries, plans to cross the Military Demarcation Line to go back home. This reflects the desire of all the Koreans in the North and the South and is in accord with the freedom of travels stipulated in Article 13 of the General Declaration on Human Rights.

We express solidarity for this plan based on legal grounds.

We appeal to the South Korean authorities to ensure that student Yim Su-kyong may freely go home across the Military Demarcation Line, just as the DPRK authorities did.

We demand that all the law organizations, human rights organizations and people express support [for] this appeal of ours.

We announce that an interim international committee of lawyers for defending student Yim Su-kyong has been organized to defend student Yim by all means of law and help to practically exercise the rights vested in her by international and national law organizations.

International Defense Council Formed

SK1007070689 Pyongyang KCNA in English
0600 GMT 10 Jul 89

[Text] Pyongyang July 10 (KCNA)—An international defense council for Yim Su-kyong, the delegate of the South Korean "National Council of Student Representatives" (Chondaehyop), who participated in the 13th WFYS [World Festival of Youth and Students], was formed in Pyongyang on July 9.

The council consists of Stanley Faulkner, chairman of the U.S. Lawyers Committee on Korea and vice-chairman of the International Liaison Committee for the Reunification and Peace of Korea; Robert Charvin, secretary general of the International Committee of

Jurists for Democracy and Human Rights in South Korea and professor of Nice University and lawyer; Amar Bentoumi, former minister of justice of Algeria, secretary general of the international Association of Democratic Lawyers and lawyer of the Algerian Supreme Court; and Mohammad Aslam Nagi, lawyer of the Supreme Court of Pakistan, secretary general of the Pakistan-Korea Friendship Association and secretary of the Pakistan Peace Council.

The defense council members expressed support to the patriotic act of delegate Yim Su-kyong and manifested their will to launch an active solidarity campaign in future.

They stated that they would send a letter to the International Association of Democratic Lawyers in Brussels requesting it to demand No Tae-u, the South Korean "defense minister" and the commander of the U.S. forces occupying South Korea to allow Yim Su-kyong to pass through Panmunjom.

They said they would send letters to the Congress of the United States of America and the secretary general of the United Nations urging them to bar the South Korean authorities from persecuting delegate Yim Su-kyong.

And they stated that, through the U.N. Commission of Human Rights, they would wage a sustained struggle demanding a stop to the possible persecution of her.

They stated that they would, back home, conduct energetic activities supporting Yim Su-kyong's patriotic deed and undertake extensive propaganda exposing the South Korean authorities' moves for persecution on her.

Plan To Arrest Yim Condemned

SK1107073289 *Pyongyang KCNA in English*
0621 GMT 11 Jul 89

[Text] Pyongyang July 11 (KCNA)—NODONG SIN-MUN Tuesday hits hard at the brutal repression of the anti-U.S. forces for independent reunification launched in South Korea by the No Tae-u group under the pretext of the participation of the delegate of the "National Council of Student Representatives" (Chondaehyop) in the Pyongyang festival.

The news analyst says:

Crying that Chondaehyop sent its delegate, following the North's line, the puppets branded it and its Preparatory Committee for the Pyongyang festival as "organisations benefiting the enemy" and issued arrest warrants for their leading members. Every day they set in motion repressive forces of 150 companies far more than 20,000 strong to blockade the campuses and make wholesale arrests. Having prepared an "advance arrest warrant," they are openly threatening that they will arrest Yim Su-kyong, the delegate of Chondaehyop, the moment she comes back and charge her with "spying," raising the

outcry that she "challenged the governments reunification policy point-blank" by signing in Pyongyang a joint declaration of the students in the North and the South calling for U.S. troops pullout and so on.

As for the visit of the Chondaehyop delegate to Pyongyang to participate in the 13th World Festival of Youth and Students, it is entirely for reunification, and there is no selfish motive at all, as Chondaehyop had already announced and its delegate to the festival said.

While staying in Pyongyang, she said only words useful for national reunification and issued a joint declaration of the students of the North and the South on the independent and peaceful reunification of the country between the Korean students committee and Chondaehyop. This can on no account be a crime.

It is ridiculous in the eyes of everyone for the puppets to raise a hue and cry over the trip of one delegate of Chondaehyop to Pyongyang, branding it as "an act benefiting the enemy," after blocking the participation of the organization in the Pyongyang festival at the point of the bayonet.

The puppets fascist repression occasioned by the participation of the Chondaehyop delegate in the Pyongyang festival means, to all intents and purposes, that the No Tae-u group refuses to renounce its outdated conception of anti-communist confrontation and declared that it does not have the least intention to head for reunification hand in hand with us.

The puppets must stop repression of the anti-U.S. forces for independent reunification including Chondaehyop and release immediately the students and personages under arrest.

Yim Su-kyong Visits University, Sea Barrage
SK1007162189 *Pyongyang KCNA in English*
1605 GMT 10 Jul 89

[Text] Pyongyang July 10 (KCNA)—Yim Su-kyong, delegate of the South Korean National Council of Student Representatives (Chondaehyop) to the 13th World Festival of Youth and Students, visited Kim Hyong-chik University of Education this afternoon.

Thousands of students and teachers of this university enthusiastically welcomed Yim.

Yim saw round experiment and practice rooms there.

A calligraphy teacher of the university wrote for Yim the letters "national reunification" and Yim left for fellow students of the university the letters "Let us go together along this road till the day of national reunification" when she dropped in the fine art faculty.

Going round the classes which registered Nam Tae-hyon and Pak Hye-chong, South Korean students who fell while fighting against the U.S. imperialists and the South Korean puppet clique, calling for national reunification, as honorary students of the university, Yim recalled together with the students the memories of the fellow students who fell, and vowed to realize their desire without fail.

She was registered as an honorary student of the foreign language faculty of the university at the fervent request of the teachers and students.

She felt more keenly the desire for reunification while joining students there in singing "The Song of Chondaehyop," "Our Desire Is Reunification" and "Korea Is One."

More than 10,000 school youth and children and working people who gathered upon hearing the news of Yim's visit to the university warmly welcomed the delegate of the one million South Korean students who are vigorously struggling for national reunification and campus freedom, shouting "Chondaehyop, Chondaehyop."

When Yim said the meeting between the students of Kim Hyong-chik University of Education and the one million students of Chondaehyop has been realized through many struggles until the moment of this meeting, the crowds embraced each other, shedding tears of joys, laughing and shouting "national reunification" as if they saw for an instant the day of reunification.

Buses and vehicles stopped on the road and passengers waved their hands out of the windows, heightening the atmosphere surging with the desire for reunification.

Saying she would convey the desire and intentions of the cheering crowds to the one million students and forty million fellow countrymen in South Korea, Yim shouted, "Let the students in the North and the South unite and achieve national reunification."

Then she and students hugged each other, shouted with tears of joy in their eyes the slogans "Let the seventy million become one and build a reunified country" and "Korea is one from Mt. Paektu to Mt. Halla," and sang in chorus "Korea is One" and "Our Desire Is Reunification."

Students of the university and a large number of crowds, overjoyed at meeting the delegate of Chondaehyop, hardened their determination to make strenuous efforts to bring earlier the day when the millions of students in the North and the South meet and embrace each other in the square of reunification.

Yim Su-kyong visited the 8 kilometre west sea barrage with 3 locks and 36 sluices, a creation built up in a matter of five years by damming off the rough sea.

Expressing admiration at the majestic appearance of the grand monumental creation, she made an entry into the visitor's book, which said, I think we will be able to do a lot of greater things if we become one.

Chong Chun-ki Speaks at Memorial Service

*SK1107055689 Pyongyang KCNA in English
0528 GMT 11 Jul 89*

[Text] Pyongyang July 11 (KCNA)—A Pyongyang memorial service on the 20th anniversary of the death of Comrade Kim Chong-tae, who was chairman of the Seoul City Committee of the Revolutionary Party for Reunification, was held at the February 8 House of Culture Monday afternoon.

The attendants observed a moment's silence in memory of Comrade Kim Chong-tae, an indomitable revolutionary fighter and ardent patriot.

Chong Chun-ki, alternate member of the Political Bureau of the Central Committee of the Workers' Party of Korea, delivered a memorial address.

He said:

Holding the important post of chairman of the Seoul City Committee of the Revolutionary Party for Reunification, Comrade Kim Chong-tae not only armed the South Korean people with the chuche idea to build the party organisation as a militant vanguard deeply rooted among the workers and peasants, but also vigorously inspired them to the patriotic struggle for the reunification of the country.

He was arrested unfortunately in the midst of an unremitting bloody struggle and murdered cruelly by fascist hangmen on July 10, 1969. Though he passed away, his noble feats will remain long in our people's hearts.

Pointing out that the lifelong desire of Comrade Kim Chong-tae to see an independent and democratic, reunified country free from foreign forces and fascist traitors has not yet been realized, he said that the national sovereignty and dignity are still today ruthlessly trampled underfoot in South Korea by foreign imperialists.

Saying that the present "government," too, which was framed up by the U.S. imperialists, is an anti-national and flunkeyist traitorous "government" and military dictatorial "government", he stated that though the No Tae-u group is now advertising about the opening of an "era of democracy", it is nothing but an intrigue to deceive the public opinion at home and abroad.

The No Tae-u group is intensifying suppression of the "National Council of Student Representatives" (Chondaehyop) and its preparatory committee for the festival as never before under the pretext of participation of

student Yim Su-kyong, the delegate of Chondae-hyop, in the Pyongyang festival, and trying to dissolve Chondae-hyop, branding it as an "organisation benefiting the enemy".

Noting that the South Korean people are confronted with an important task to accomplish the noble cause which was left unachieved by Comrade Kim Chong-tae and other patriotic martyrs of South Korea, he stressed that the South Korean people should wage more forcefully the anti-war, anti-nuke struggle, opposing the colonial domination of the U.S. imperialists.

Ho Tam Addresses Compatriots Conference

SK1007090089 *Pyongyang Domestic Service in Korean*
0737 GMT 9 Jul 89

[Speech by Ho Tam, chairman of the Committee for Peaceful Reunification of the Fatherland, at a conference of compatriots at home and abroad for the promotion of national reunification held on the evening of 9 July at Pyongyang Stadium—recorded]

[Text] Compatriots at home and abroad: Today, the compatriots at home and abroad are gathered here to hold a splendidly great conference to line up the strength, resourcefulness, and patriotism of the fellow countrymen behind the sacred cause of promoting national reunification, the paramount desire of the nation, at a time when the sky and land are filled with the joy and pride of the entire people who have decorated the Pyongyang festival, the great festival of the youth and students from the five continents of the world, as the greatest felicitous event of mankind.

First of all, I wholeheartedly welcome all of the overseas compatriots who are present in this meeting and through you, I extend my warm fraternal greetings to all overseas compatriots who are always thinking of the worthy fatherland and are devoted to patriotism in the distant foreign lands where they reside. [applause]

As you may have observed with great emotion and excitement, the 13th World Festival of Youth and Students [WFYS], which was held splendidly in Pyongyang, has fully demonstrated not only the tenacious aspirations of the youth and students from all over the world who are determined to advance on the road of anti-imperialism, peace, and friendship and our people's will for national reunification, but also the international support for and solidarity with our people's struggle for national reunification, and has decorated a glorious chapter that will shine forever in the pure history of the fatherland.

The Pyongyang festival, which was held amid the great interest of the people of the world and their admiration, has planted deep in the hearts of our fellow countrymen a firm conviction that our people, who occupy the first place in the world, are capable of achieving the cause of national reunification on their own by demonstrating

before the world how resourceful and wise our people are and what an inexhaustible and powerful strength our people have at their disposal.

In particular, the speech delivered by the great leader President Kim Il-song at the opening ceremony of the Pyongyang festival has become mankind's common milestone of brilliantly illuminating the path for the youth and students and the progressive people of the world in the era of independence for anti-imperialist independence and antinuclear peace, as well as a banner of encouragement that actively promotes the cause of the independent and peaceful reunification of our country. [applause]

Indeed, the Pyongyang festival, which has been decorated as a great festival, unprecedented in the history of festivals under the ideals of anti-imperialist solidarity, peace, and friendship, was a historic event, which has effected a great change in dealing a great blow to the imperialists' aggression and war policy, in further cementing the ties of unity of the peace-loving youth and students of the world, and in actively accelerating our people's cause of independent reunification. [applause]

Taking great joy and boundless national pride in having successfully held the great international festival, the first ever in Asia, at the highest level, the compatriots at home and abroad, who share the same bloodline, are gathered in a great conference to promote national reunification. This carries weighty significance.

The conference for the promotion of national reunification this time around, a historic meeting at which the compatriots at home and abroad have gathered at one place to seek ways for building one reunified fatherland in the divided land, will serve as an epoch-making opportunity to build up great national unity for the reunification of the country and, by increasing internal forces, to accelerate the sacred cause of reunification as a nationwide movement everywhere at home and abroad where our compatriots live. [applause]

Compatriots at home and abroad: To our fellow countrymen, nothing could be more valuable than the fatherland. The fatherland means our lives and is the source of our joy and hope. [applause]

Without the fatherland, we can neither go on living nor make the honor of the people shine. Since the ancient times, people have thought that their own fatherland is the best place in which to live, no matter how difficult and painful it may be to live there, and they have shed tears and unsparingly laid down their youthfulness and even lives for it.

Such a valuable fatherland of ours marks now the 44th anniversary of its tragic division. The greatest pain for our nation is division and its strongest wish is reunification. Because of the division of the national territory into

two parts, that the outside forces imposed upon our people a half century ago, our people are now suffering from the worst kind of national ordeals, unheard of before.

Blood relatives, who should be leading a happy life under the same roof, have been separated in the North and South and scattered here and there abroad and are still forced to suffer from the separation against their will even after generations, while our predecessors who longed for reunification amid the tragic division are leaving us now without seeing the day of reunification.

It is hard to measure the depth of the tragedy caused by the division that has continued for so long without let-up and caused our valuable and rich national resources to be squandered in vain and inflicted wounds even on national dignity.

Moreover, the continuing division of the fatherland has converted one half of our national territory into a base of the outside forces for nuclear war, and has even gathered the dark clouds of nuclear holocaust over the heads of the people. If a war breaks out over the country, it will become a nuclear war. As a result, our fellow countrymen will be annihilated and all of our eye-dazzling culture and valuable wealth, which we have preserved and cultivated from generation to generation, will be destroyed and our beautiful land of 3,000 ri will be turned into a barren land covered with radioactive fallout.

We will never allow the destiny of our nation to be trifled with due to the interests of foreign forces and our land to become the site of a nuclear war of the U.S. imperialists. We should put an end to the history of national division at any cost and should pioneer the destiny of the nation with our own strength. Division is the way of national ruin, and national reunification is the only way for national prosperity. For our nation, there is no more precious and urgent task than national reunification.

The respected and beloved leader Comrade Kim Il-song has taught: The question of the reunification of our country is an internal affair of our nation for all intents and purposes and should be, therefore, resolved by the Korean people themselves.

Proceeding from the important mission assigned before the fatherland and the nation we have presented a correct line and policies for the independent and peaceful reunification of the country and have waged a consistent struggle for their realization. In recent years alone, we repeatedly put forward many initiatives for peace and proposals for reunification, including the proposal for three-way talks for the guarantee of peace on the Korean peninsula. Even when the United States evaded dialogue with us, asserting that dialogue should be held between the North and the South first, we, proceeding from the desire to resolve problems within our nation, provided not only dialogue between the

parliaments of and between the authorities of the North and the South, but also nongovernmental dialogue, including talks on humanitarian issues. We also put forward a policy for a phased arms reduction and went so far as to take the step of unilaterally reducing 100,000 soldiers of the People's Army to mobilize them for economic construction. Thus, we made all possible efforts.

If the United States and the South Korean authorities had given due response to these earnest and sincere efforts of ours, peace would have already been preserved on the Korean peninsula and bright rays would be beaming on the road of national reunification. However, to our regret, our sincere efforts for peace and peaceful reunification have failed to receive a response from the splittist forces at home and abroad, and a greater obstacle has been laid on the future of reunification.

It was the compatriots, brothers, and sisters in the South who responded to our voices for reunification and who walked in step with us in our march for reunification. Although the Military Demarcation Line lies in the midsection of the divided land, there is no barrier in the hearts of the compatriots in the North and the South who desire national reunification. On the road of reunification, the will is one, the mind is one, and the aspiration, too, is one.

The South Korean youth, students, and people from all walks of life fully demonstrated their burning zeal and firm will for reunification through their consistent struggle, which included the 19 April student uprising in the 1960's, the October resistance for democracy in the seventies, and the Kwangju popular uprising and bloody popular resistance in the eighties. [applause]

On the days of such a heroic struggle, numerous South Korean fighters and young fighters of national salvation [words indistinct] and devoted their precious lives for the nation without hesitation. The bloody struggle of university students in Seoul, who marched toward Panmunjom to attend North-South student talks, plowing through the forests of bayonets with their backs and shouting "Come from Paektu, let us go from Halla, and let us meet in Panmunjom," fully and vividly showed the indomitable fighting spirit of the South Korean youth, students, and people who cannot live without reunification.

The National Council of University Student Representatives [Chondaehyop], which represents such youth and students in South Korea, waged a consistent struggle to jointly participate in the Pyongyang festival in defiance of all forms of obstruction by the splittists and took the patriotic step of sending its delegate to the Pyongyang festival via overseas because the road leading to Panmunjom was blocked. [applause]

The vigorous struggle that the South Korean people from all walks of life, including youths, students, workers, farmers, religionists, and intellectuals, are today staging is a [word indistinct] patriotic struggle against the foreign forces and the fascist forces and for national sovereignty, democracy, and the country's peaceful reunification.

I take this opportunity to extend, in the name of this rally, fervent support and encouragement to the South Korean people of all walks of life, including Chondae-hyop and 1 million students, who are vigorously struggling for independence, democracy, and reunification. [applause]

Overseas compatriots, too, who are living all over the world, are vigorously waging the patriotic struggle for national reunification in combination with the reunification movement of the people in the North and the South. Our overseas compatriots, who have lived in foreign countries, suffering all sorts of oppression and discrimination, have made all possible efforts to oppose the foreign forces' maneuvers for aggression and war and to smash the two-Koreas plot by the splittists at home and abroad, while worrying over the destiny of the nation together with compatriots in the fatherland.

The people of the northern half of the republic sincerely rejoice over the sacred, patriotic struggle of overseas compatriots for national reunification and highly evaluate this. [applause]

The era has changed today, and our nation's movement for reunification is faced with a new turning point. No one can block the majestic great march for reunification of the broad patriotic forces in the North and the South and overseas who are now advancing with dignity amid the strong support and encouragement of the peace-loving people of the world. This historic conference itself, in which compatriots at home and abroad have gathered, vividly shows that no one can block the majestic trend toward reunification.

Dear compatriots at home and abroad, the reunification of our country should be realized based on the three principles of the reunification of the fatherland—*independence, peace, and great national unity*—which the North and the South confirmed and which have been publicly acknowledged at home and abroad.

The three principles—*independence, peace, and great national unity*—which were proclaimed in the 4 July joint statement are the great charter of reunification from which no one can turn away, and they are the common program of reunification for the nation that can solve the issue of reunification fairly in conformity with the interests and demands of the entire nation. [applause]

The reunification of the fatherland should be realized independently through the strength of our nation, without the interference of foreign forces. The solution of the issue of reunification, which is a problem within the nation, cannot be entrusted to others, and outside forces have no right to interfere in the issue of the reunification of Korea. Only when we adhere to the principle of independence, can we solve the issue of the reunification of the fatherland most expeditiously and surely by the national independent force in the fundamental interest of the nation and in conformity with the specific reality of the country.

The reunification of the fatherland should be realized not by force but by peaceful means. There is no reason why our fellow countrymen should fight each other. Even large countries are now trying to maintain good relations without fighting each other, so why should fellow countrymen fight, aiming guns at each other? Confronting fellow countrymen will benefit only the imperialists who intend to fish in troubled waters by dividing small nations and making them fight each other, and it does not at all benefit our nation.

In order to realize the reunification of the country, we should firmly maintain the principle of great national unity as well. The reunification of the nation, divided by foreign forces, can only be realized through great national unity. The differences in ideology and system between the North and the South, cannot be the reason why the North and the South cannot be united into one nation. We should transcend the differences in ideology and system and achieve pan-national unity according to national ideals to open a new phase for reunification.

In order to achieve the reunification of the country by embodying the three principles of independence, peace, and great national unity, we should choose the method of reunification based on the confederal system. In the prevailing conditions, in which different ideologies and systems exist in the North and the South, there is no better system than the confederal system as a reasonable and fair method by which reunification can be achieved without liquidating one system and forcibly replacing it with another system, but by leaving the two contradictory systems as they are without fighting against each other. The respected and beloved leader President Kim Il-song proclaimed long ago the plan of founding the democratic confederal republic of Koryo [DCRK] as a reunification method through a confederal system.

In the present circumstances, in which the North and South are confronting each other, the plan of founding the DCRK envisages forming one reunified state by leaving the two systems as they are and by uniting the two autonomous governments under the principle of coexistence in which neither side swallows or is swallowed by the other side and in which neither side overwhelms or is overwhelmed by the other side. This reunification plan by means of a confederal system is the realistic and reasonable save-the-nation reunification

plan that elucidates the most correct way to solve the issue of reunification independently and peacefully, in conformity with the common demand and will of the nation and by the united strength of the entire nation. [applause]

Today, the assertions for reunifying the country based on a confederal system are made by the figures of each party, each faction, and each circle in South Korea as well. Of course there can be a number of specific methods for reunification by means of a confederal system. Whatever type of method it may be, if it is really helpful to the founding of a reunified confederal state, we are ready to treat it affirmatively. Under the circumstances in which the assertions and demands are heightened with each passing day, we are convinced that the reunification plan through a confederal system becomes a realistic basis that is capable of achieving national agreement on the method of reunifying the fatherland.

Dear compatriots at home and abroad, today when we have a reasonable method of reunification and when the entire nation's aspiration for reunification is heightened more than ever before, we should wage a more vigorous struggle to promote the cause of reunifying the country in the North and South and abroad. [applause]

In order to vigorously promote the cause of reunifying the fatherland, we should, above all, provide a precondition for the independent and peaceful reunification by easing tension and ensuring durable peace in our country. To ease tension and ensure durable peace on the Korean peninsula, a peace agreement should be signed between us and the United States, a declaration for nonaggression between the North and the South should be adopted, the U.S. forces and nuclear weapons should be withdrawn from South Korea, and the armed forces of the North and the South should be drastically reduced. By so doing, durable peace is ensured in our country and a favorable precondition can be provided for the independent and peaceful reunification.

The United States should abandon the obsolete and anachronistic two-Koreas policy, change its policy toward Korea, and affirmatively respond to the proposal for tripartite talks at an early date.

To accelerate the independent and peaceful reunification of the country, dialogue and negotiation between the North and the South should be actively conducted. Actively conducting dialogue, negotiation, mutual contacts, and mutual visits is a realistic demand to promote national reconciliation and unity, to ease tension, and to realize the peaceful reunification of the country. The dialogue between the North and the South should be conducted between the authorities, but the civilian dialogue of various walks of life should also be conducted, and the dialogue in various fields, such as political, military, economic, cultural, social, religious, and humanitarian fields, should also be actively conducted. By so doing, we can promote mutual understanding and

trust between the North and the South, create an atmosphere for national unity, and successfully solve the issue of reunifying the country through the strength of an independent national force.

If some are allowed to attend dialogue and others are not, or if dialogue in some sectors is held and dialogue in other sectors is disregarded, national reconciliation and unity cannot be achieved nor can the reunification issue be resolved in compliance with the will of the nation. The persons in authority in South Korea recently blocked a pan-national meeting and talks between writers of the North and South using guns and bayonets, and bloodily suppressed the struggle by the South Korean youth and students to participate in the 13th World Festival of Youth and Students. A self-righteous act designed for a minority of those of the ruling group to monopolize and handle the reunification issue themselves, which is related to the destiny of the entire nation, this shows that they have no will for reunification. Fellow countrymen in the North and South and overseas must not allow the antinational maneuvers of the persons in authority in South Korea, who, while demanding a single channel of dialogue, are blocking independent dialogue between various parties, organizations, and individual personages and are attempting to use dialogue to maintain power and for divisionist purposes, and must vigorously fight to achieve the freedom for dialogue, contacts, and mutual visits. [applause]

If the peaceful reunification of the country is to be hastened, acute confrontation between the North and South must be brought to an end, and an atmosphere for national reconciliation and unity must be promoted. Bringing an end to the acute confrontation between the North and South is a necessary condition for smoothly holding dialogue in an atmosphere of mutual understanding and trust, improving North-South relations, and successfully resolving the reunification issue. The fact that anticommunism is a state policy and that such vicious antireunification and antidiologue laws as the National Security Act exist is not compatible with national reconciliation and does not correspond to the changed reality.

If the North and South are to be reunified, they must recognize and tolerate the ideas and system of the other side, instead of seeking anticommunism. Anticommunism is a source for national antagonism and confrontation. The persons in authority in South Korea recently detained Rev Mun Ik-hwan and his entourage, who returned after visiting Pyongyang out of an ardent desire for reunification, and other patriotic democratic personages and people from all other walks of life who rose up to demand reunification on charges of violating the National Security Act. This is an antinational act that they cannot justify no matter how hard they explain it. Moreover, babbling that they would detain even Yim Sukyong, a young student who participated in the Pyongyang festival as an official representative of Chondae-hyop and who was enthusiastically welcomed by the youth and

students on the northern half and of the world, is a cruel act designed to suppress the nation's ardent desire for reunification by all means and an open challenge to the common ideas of the world's people—independence, peace, and friendship. Branding and denouncing the reckless suppression offensive against the reunification forces as a grave, treacherous act that runs counter to the flow of national history toward independence, democracy, and reunification, we strongly demand that patriotic, democratic personages and students who have been detained be released, that the plan to detain student Yim Su-kyong be canceled, and that the suppression of Chon-daehyop and other reunification forces be stopped. [applause]

Struggling for reunification is a patriotic act, and those who devote themselves to the reunification movement are genuine patriots. The present reality that reunifying the fatherland is presented as the biggest duty demands that patriots who devote themselves to reunification make positive efforts and wage a positive struggle. Transcending differences in idea, ideology, system, and religion, all the patriotic forces in the North and South and overseas who oppose national division and who earnestly desire the reunification of the country must be strongly united into one under the banner of the fatherland's reunification.

Our nation will soon enter the threshold of the 1990's filled with hope, which will be decorated as the era of reunification. Nineteen ninety-five will be a historic year that marks the 50th anniversary of the fatherland's liberation and, at the same time, the 50th year of national division. We must in no way let the tragedy of national division continue more than half a century. [applause]

This is a heavy responsibility that our generation takes before the nation and is an earnest desire of our fellow countrymen who are impatiently looking forward to reunification. [applause]

Upholding the banner of the fatherland's reunification, all the Korean compatriots in the North and South and overseas must further hasten their grand march toward national reunification and, thus, make the year 1995, which marks the 50th anniversary of the fatherland's liberation, the historic year of the fatherland's reunification. [applause]

I cordially propose convening a meaningful pan-national meeting for the fatherland's reunification, attended by representatives of compatriots in the North and South and overseas, in Panmunjom on 15 August 1990, the first year of the 1990's and the year that marks the 50th anniversary of the fatherland's liberation. [applause]

Our nation's just patriotic cause of reunifying the fatherland will be achieved without fail, and our fellow countrymen will harmoniously live in the reunified fatherland together. [applause]

Let us all fight and fight hand in hand in the North and South and overseas to hasten the day of history. [applause]

Long live our reunified fatherland! [applause]

Papers Hail Conference

SK1107061889 *Pyongyang KCNA in English*
0536 GMT 11 Jul 89

[Text] Pyongyang July 11 (KCNA)—Papers here today hail the conference of compatriots at home and abroad for the promotion of national reunification which was held in Pyongyang on July 9.

NODONG SINMUN in a signed commentary "Grand Assembly Noteworthy in the History of Reunification Movement" says that the successful holding of the international grand festival, first of its kind in Asia, by compatriots in the Northern Half of Korea and overseas compatriots is a remarkable thing in the history of the nation to promote national reunification. It continues:

Contained in the declaration on national reunification and an appeal to the Koreans at home and abroad which were adopted at the conference are a realistic demand for removing the obstacles lying on the road of reunification and achieving national reunification by the concerted efforts of the whole nation and the common will of the nation that reunification is the only way to live.

All the compatriots in the North and the South and abroad should wage a vigorous struggle under the banner of reunification and national salvation to make 1995 marking the 50th anniversary of the liberation of the country a year of national reunification without fail.

If the nation-wide meeting for national reunification will be held at Panmunjom on August 15 next year marking the 45th anniversary of the liberation of the country as proposed at the conference, a new chapter for promoting the cause of national reunification will undoubtedly be opened.

When the entire fellow countrymen in the North and the South and abroad struggle, transcending differences in ideas, ideals and systems and regarding national reunification as the supreme task, the "two Koreas" plot of the separatist forces within and without will be checked and smashed and the day of national reunification will be moved up.

The entire Korean compatriots in the North and the South and abroad should fight more vigorously till the day when the reunification of the country, the greatest cherished desire of the nation, has been realized.

U.S. Communist Party Sends Solidarity Message
SK1007122589 Pyongyang KCNA in English
1042 GMT 10 Jul 89

[Text] Pyongyang July 10 (KCNA)—A solidarity message came to the Central Committee of the Workers' Party of Korea from the Central Committee of the Communist Party of the United States of America on June 22 on the occasion of the 39th anniversary of the provocation of the Korean war by the U.S. imperialists and on the month of solidarity against U.S. imperialism.

The message expresses solidarity with the continued struggle of the workers' party of Korea and the Korean people for the peaceful reunification of Korea.

It says the 13th World Festival of Youth and Students will be held in the month of solidarity in the DPRK which has made every possible effort for peace.

The valiant struggle of the South Korean people, it continues, is enjoying ever increasing support from the people of all strata in the United States.

The demand and necessity for the withdrawal of the U.S. troops 42,000 strong, over 1,000 nuclear weapons, military bases and military supplies are supported by more U.S. people, and the youth festival to be held in Pyongyang, the capital of your country, will help toward further developing the movement, it stresses.

U.S. Military Moves in South Denounced
SK0807053489 Pyongyang Domestic Service in Korean
2253 GMT 4 Jul 89

[NODONG SINMUN 5 July commentary: "Vicious Challenge to Peace"]

[Text] The U.S. imperialists are now building up the military strength of the U.S. 7th Air Force in South Korea on a large scale. According to a report of the recent issue of the U.S. aviation journal "AVIATION WEEK," the U.S. imperialists not only have increased the number of operational airplanes of the U.S. 7th Air Force in South Korea, but also replaced 48 F-16A fighter-bombers deployed in Kunsan with the more latest model of F-16C's and F-16D's last May. The journal also reported that the U.S. imperialists plan to replace F-4 fighters and the A-10 Assault Unit in Osan with 48 F-16's of the latest model within fiscal year 1990 and replace the present OV-10 reconnaissance airplanes of their air reconnaissance unit in South Korea with the more modernized OA-10s, in a bid to strengthen its reconnaissance capability.

As a part of such maneuvers to increase their air force capability the U.S. imperialists founded a Cobra helicopter unit under the U.S.-South Korean Combined Forces Command and deployed it in the central sector of the frontline on 3 July.

The U.S. imperialists' large-scale air force arms buildup maneuvers are not only a challenge which runs counter to the demands and desire of the Korean people and the peace-loving people of the world for peace on the Korean peninsula and its peaceful reunification, but also clearly show how desperately they are running wild to aggravate tension on the Korean peninsula and to accelerate war preparations there. The U.S. imperialists' reckless arms buildup maneuvers have aggravated tension and further increased the danger of war in our country. This has aroused serious concern among our people and the people of the world.

Since 1984, clamoring about the importance of South Korea as a military strategic point in Asia the U.S. imperialists have reinforced and deployed anew their aggression armed forces, including signal, chemical, nuclear, and combat helicopter units, in South Korea under the slogans of increasing war capability and improving military equipment. They have increased the number of the U.S. imperialist aggression forces occupying South Korea to almost 50,000.

Not satisfied with their having reduced South Korea into a nuclear powder magazine, the largest in the Far East, by deploying more than 1,000 nuclear weapons there, the U.S. imperialists have recently dragged into South Korea in succession, such lethal weapons as Lance missiles; neutron bombs, called weapons of the devil of the 20th century; and M-198 nuclear shell artillery guns.

Today when arms reduction and troop withdrawal have become the demands of the times and when the peace-loving efforts of our Republic have won support from the people at home and abroad because of its numerous proposals and practical measures for alleviating tension, the U.S. imperialists have still desperately adhered to such anachronistic and provocative arms buildup maneuvers. This vividly shows that the U.S. imperialists and the South Korean puppet clique are precisely the splittists and war fanatics who are disturbing peace. This also clearly shows once again that the U.S. imperialists are desperately running wild to realize their wild ambition for aggression against socialist countries, including our Republic, and for world domination.

The U.S. imperialists should renounce the anachronistic criminal act which runs counter to the desire of our people and the peace-loving people of the world who want peace on the Korean peninsula and its peaceful reunification and should withdraw all aggression armed forces from South Korea without delay. The Korean people who love peace do not want a new war, a thermonuclear war, to break out on the Korean peninsula. The government of the Republic and the Korean people will, in the future, too, make all possible efforts to make the Korean peninsula a nuclear-free peace zone and to preserve peace on the Korean peninsula and in Asia and the rest of the world under the active support and encouragement of the governments and people of the peace-loving countries of the world.

U.S. Army Accused of Killing Southern Peasant
SK0907042989 Pyongyang KCNA in English
0401 GMT 9 Jul 89

[Text] Pyongyang July 9 (KCNA)—The U.S. imperialist aggression Army on July 6 killed or wounded South Korean peasants in a mortar firing, according to a report.

That day two infantry battalions of the Second Division of the U.S. imperialist aggression Army were engaged in a firing drill at a U.S. firing range near the Military Demarcation Line when they fired mortar shells at the peasants working nearby. In this brutality Cho Nam-chon, an old man residing in Changpa-ri, Papyongmyon, Paju County, Kyonggi Province breathed his last, hit by shell fragments, and two other peasants were seriously wounded.

The soldiers of the U.S. imperialist aggression forces who act the master in South Korea, occupying it for more than 40 years, are committing more frequently these days the barbaric act of making South Korean civilians firing targets, looking down upon them.

South Minister's Remarks on U.S. Troops Viewed
SK1007073489 Pyongyang KCNA in English
0542 GMT 10 Jul 89

[Text] Pyongyang July 10 (KCNA)—The puppet prime minister of South Korea at a recent "forum of policies" at Korea University cried that the U.S. troops should not be withdrawn because the North attempts to achieve "reunification by communizing."

Embellishing the aggression forces as "necessary entity" to South Korea, talking about someone's fictitious "reunification by communizing" is the anti-national criminal act of the traitors who are keeping their remaining days, depending on the outside forces and of the splittists who do not want reunification, says NODONG SINMUN today.

In a signed commentary the paper goes on:

"Reunification by communizing" is a fabrication by those frantic in anti-communism and anti-North; it is no more than a preposterous pretext for keeping the aggression forces and taking the road of confrontation, division and war with their backing.

The puppet prime minister himself issued "entrusting certificates of honorary mayors and county headmen," describing the northern half of Korea as "an unrestored area." The puppet administration and "Democratic Justice Party" decided to increase the next fiscal military expenditures 20.3 percent above this year. This is an open revelation of their criminal attempt to prevail over the northern half of Korea by force of arms together with the U.S. imperialists and establish there the reactionary, anti-popular colonial military fascist system of South Korea.

It is also to oppose peaceful reunification and attain something by "strength" together with their masters that the puppets branded those organisations which demanded contact and dialogue between the North and the South as "organisations benefiting the enemy" and those who visited the northern half of Korea as "pro-communist elements" to suppress them harshly.

Kim Yong-nam Speaks at Chinese Embassy Party
SK1107060689 Pyongyang KCNA in English
0548 GMT 11 Jul 89

[Text] Pyongyang July 11 (KCNA)—Chiang Zhengcai, charge d'affaires ad interim of the Chinese Embassy in Pyongyang, gave a party at his embassy on the evening of July 10 on the occasion of the 28th anniversary of the conclusion of the China-Korea Treaty of Friendship, Cooperation and Mutual Assistance.

The charge d'affaires A.I. of China said in his speech that the China-Korea treaty of Friendship, Cooperation and Mutual Assistance signed by Comrade Zhou En'ai and Comrade Kim Il-song 28 years ago has played a very great role in further consolidating the China-Korea friendship sealed in blood in the protracted common struggle and promoting the construction of socialism in the two countries.

The 13th World Festival of Youth and Students vividly demonstrated the might of a new socialist Korea, showed the strong desire of the Korean people for reunification and left very deep impressions upon the people.

Vice-Premier and Foreign Minister Kim Yong-nam referred in his speech to the dynamic struggle the fraternal Chinese people are waging to realise the modernisation of socialism, strictly adhering to the four cardinal principles according to the decisions of the fourth plenary meeting of the 13th Central Committee of the Communist Party of China.

He wished them great success in their struggle to implement the decisions of the 13th congress of the party, firmly rallied behind the Communist Party of China.

Our party, government and people will as ever strive to further consolidate and develop the relations of kindred friendship and class alliance with the fraternal Chinese people in the spirit of the Korea-China Treaty of Friendship, Cooperation and Mutual Assistance and will positively struggle to frustrate the provocative anti-socialist moves of the imperialists, he added.

Friendship, Cooperation With PRC Reaffirmed
SK1107063489 Pyongyang KCNA in English
0606 GMT 11 Jul 89

[Text] Pyongyang July 11 (KCNA) - Papers here today dedicate articles to the 28th anniversary of the signing of the Treaty of Friendship, Cooperation and Mutual Assistance between Korea and China.

In a signed article NODONG SINMUN says:

The signing of the treaty on July 11, 1961, was an epochal event which strengthened and developed the relations of fraternal friendship and cooperation between the Korean and Chinese peoples onto a new high stage.

The Korea-China friendship has a long and deep historical root.

The peoples of Korea and China have supported and cooperated closely with each other and traversed together the road of victory, shaping their destinies together from long ago and sharing life and death, weal and woe in unity always in a worthwhile struggle for sovereignty, independence and socialism.

The Korea-China friendship is that between the revolutionary comrades-in-arms based on Marxism-Leninism and proletarian internationalism and an invincible one which has withstood all trials of history. The Korea-China friendship has strengthened and developed to be a solid one because it is based on the particular intimacy and revolutionary obligation between the leaders of the two countries.

The Korean people are rejoiced over the daily strengthening and development of the traditional Korea-China friendship to be an invincible one in conformity with the common desire and aspirations of the two peoples in the spirit of the treaty.

The Korean and Chinese peoples have made shining achievements in the revolution and construction, supporting and cooperating with each other since the signing of the treaty.

The Chinese people have entered a new turning point after the third plenary meeting of the 11th Central Committee of the Communist Party of China and made a big stride in building socialism with Chinese characteristics.

The Chinese people are striving to achieve the reunification of the whole of China in accordance with the policy of "one country, two systems" and defend world peace.

The Korean people sincerely rejoice as over their own over the achievements made by the fraternal Chinese people in the revolution and construction and express firm solidarity with their just cause.

It is the invariable will of our party and people to strengthen the friendship and unity with brotherly Chinese people.

MINJU CHOSON stresses in a signed article:

The Korean people will in the future, too, as in the past make all efforts to expand and develop the relations of friendship and cooperation with the fraternal Chinese people in all fields and fight forever shoulder to shoulder with them.

Ho Tam Says No Plans for Talks With Japan
OW0907233889 Tokyo KYODO in English
2302 GMT 9 Jul 89

[Text] Pyongyang, July 10 KYODO—North Korea has no plans at present to hold negotiations with Japan to improve bilateral relations despite Tokyo's expressed desire to improve ties, according to a senior North Korean official.

Ho Tam, secretary of the ruling Workers Party, made the statement in a meeting here Sunday with Hidekichi Hirose, a Japan Socialist Party member of the House of Representatives, Hirose told reporters.

Ho was quoted as saying that he is aware of a Japanese government statement expressing hope to improve relations with North Korea. "But nothing has so far been carried out," he said.

Daily Marks Anniversary of Treaty With USSR
SK0807044089 Pyongyang Domestic Service in Korean
2222 GMT 5 Jul 89

[NODONG SINMUN 6 July special article: "Invincible Korean-Soviet Friendship"]

[Text] Twenty-eight years ago today, a treaty of friendship, cooperation, and mutual assistance was concluded between the DPRK and the USSR. The conclusion of the treaty was an important event which provided a firm guarantee for constantly strengthening and developing the relationship of traditional friendship and cooperation between the people of the two countries of Korea and the Soviet Union.

Over the past 28 years the people of the two countries of Korea and the Soviet Union have constantly developed the relationship of friendship and cooperation in conformity with the spirit and ideal of the treaty.

The great leader Comrade Kim Il-song has declared: The people of the two countries of Korea and the Soviet Union have forged a relationship of invincible friendship and cooperation in the joint struggle against imperialism, for peace, and for the victory of socialism and communism, and this relationship has constantly consolidated and developed while surmounting all sorts of trials of history.

The Korean-Soviet friendship has deep and strong roots. The people of our two countries have long struggled together against imperialism. Today, they are closely supporting and cooperating with each other on the road

of building socialism and communism. The Korean-Soviet friendship which has been formed, consolidated, and developed historically has become an invincible one today by surmounting all sorts of trials.

The great leader Comrade Kim Il-song's visit to the Soviet Union in 1984 and 1986 was a great event which recorded a brilliant chapter in the history of Korean-Soviet friendship. In particular, the meeting and talks between the great leader Comrade Kim Il-song and Comrade Mikhail Sergeyevich Gorbachev in 1986 became an epochal occasion in expanding and developing the traditional Korean-Soviet friendship onto a new high stage. The relationship of friendship and cooperation between the people of the two countries of Korea and the Soviet Union has greatly contributed to accelerating the revolution and construction in the two countries and to strengthening and developing the overall socialist forces.

The Soviet people have registered great successes in socialist construction. In the Soviet Union today, the reorganizing work to accelerate social and economic development and to promote socialism to a new level is being deepened and developed, the work of reforming the Soviet society is being actively pushed ahead, and the people's welfare is being improved with each passing day.

The Soviet party and government have made active efforts to realize a universal arms reduction, including nuclear arms reduction, to establish a comprehensive international security system, and to build a nuclear-free and nonviolent world.

The Korean people sincerely rejoice over the success registered by the fraternal Soviet people and extend firm solidarity with the efforts of the Soviet party and government to defend world peace and security and to make the overall international situation sound.

Today, under the wise leadership of the great leader Comrade Kim Il-song and the Workers' Party of Korea our people are effecting new upsurges in all fronts of socialist construction by vigorously waging the three revolutions—ideological, technological, and cultural—under the banner of the *chuche* idea.

National reunification is our people's utmost national desire. Our party and government have put forth various peace proposals and initiatives to remove tension on the Korean peninsula, to ensure peace, and to achieve national reunification and have actively struggled for their realization.

The fraternal Soviet people have extended firm support for and solidarity with our people's just cause for socialist construction and national reunification. Strengthening and developing the Korean-Soviet friendship is a consistent policy of our party and government. As in the past, the Korean people will, in the future, too, advance

together shoulder to shoulder with the fraternal Soviet people forever to realize the common ideal and goal. The Korean people wish the Soviet people greater success in their struggle to implement the decisions of the 27th party congress and the 19th all-union party congress.

Kim Il-song Receives Internationalist Soldier
SK0507111589 Pyongyang KCNA in English
1108 GMT 5 Jul 89

[Text] Pyongyang July 5 (KCNA)—The great leader President Kim Il-song today met internationalist soldier Ya. T. Novichenko and his party on a visit to Korea.

Present on the occasion were Kwon Min-chun, vice-director of a department of the Central Committee of the Workers' Party of Korea, and Gennadiy Bartoshevich, Soviet ambassador e.p. to Korea.

President Kim Il-song conversed with the guests in a cordial and friendly atmosphere.

He was presented with a gift by the guests.

President Kim Il-song gave a luncheon for the guests.

Yun Ki-chong Marks MPR Revolution Anniversary
SK1107061289 Pyongyang KCNA in English
0542 GMT 11 Jul 89

[Text] Pyongyang July 11 (KCNA)—A meeting was held in Pyongyang on July 10 to mark the 68th anniversary of the Mongolian people's revolution.

Mongolian Ambassador to Korea Jambaldorjiin Badra and his embassy officials were present there on invitation.

Speaking at the meeting Yun Ki-chong, minister of finance and chairman of the Korea-Mongolia Friendship Association, said that the victorious Mongolian People's revolution was an epochal event which opened a new phase in the history of the Mongolian people. After the victory of the revolution, the Mongolian people, she said, under the Mongolian People's Revolutionary Party carried out successfully the historic task of transition from the feudal society directly to socialism.

The Workers' Party of Korea and the Korean people will stand always together with the fraternal Mongolian people in the future, too, as in the past, in the common struggle against imperialism and for defence of peace and for the victory of the cause of socialism and communism, she stressed. Speaking next Jambaldorjiin Badra said: The goodwill visit to the Mongolian People's Republic by Comrade Kim Il-song, a prominent activist of the international communist movement and working-class movement, a staunch fighter for peace and socialism and a close friend of the Mongolian people, was an epochal event in strengthening and developing the relations of friendship and cooperation between the parties

and peoples of the two countries. The Korean people under the leadership of the party headed by Comrade Kim Il-song are achieving great success in the fulfillment of the third seven-year plan and the socialist construction, he said, adding: The Pyongyang festival, the first of its kind in Asia, was an important event which made a great contribution to the cause of mankind for strengthening anti-imperialist solidarity, peace and friendship.

He said the Mongolian party and people fully support the Korean people in the struggle for the peaceful reunification of the country without any outside interference.

Papers Observe Anniversary

*SK1107064289 Pyongyang KCNA in English
0600 GMT 11 Jul 89*

[Text] Pyongyang July 11 (KCNA)—Papers here today observe the 68th anniversary of the victory of the people's revolution in Mongolia.

The victory of the people's revolution in Mongolia on July 11, 1921, was a historical event through which her people defeated the reactionaries at home and abroad and have become the genuine masters of the country, says NODONG SINMUN in a signed article.

The article goes on:

The Mongolian people have successfully carried out the tasks to build the foundation of socialism through the arduous struggle since the victory of the people's revolution.

The Mongolian people are now pushing ahead with a drive to step up socio-economic development and complete the material and technological foundations of socialism, rallied around the Mongolian People's Revolutionary Party headed by Comrade Jambyn Batmonh.

The party, Government and people of Mongolia are actively striving to oppose imperialism and defend peace and security in Asian and Pacific region. All these achievements are the result of the leadership of the Mongolian People's Revolutionary Party and the devoted efforts of the industrious people.

The Korean people are sincerely rejoiced over the success made by the Mongolian people in socialist construction and extend support and solidarity for their cause.

Today the Korea-Mongolia friendship is developing as the days go by.

The great leader Comrade Kim Il-song's visit to Mongolia last year and respected Comrade Jambyn Batmonh's visit to Korea in 1986 were epochal events which brought the Korea-Mongolia friendship to a new high stage. The Korea-Mongolia friendship is further

strengthening and developing in the spirit agreed upon at meetings and talks between the two leaders and in accordance with the treaty of friendship and cooperation.

MINJU CHOSON stresses in a signed article:

The Korean people heartily wish the brotherly Mongolian people greater success in their struggle for the development and prosperity of the country.

News Conference on Foreign Policy Held

*SK1007160889 Pyongyang KCNA in English
1553 GMT 10 Jul 89*

[Text] Pyongyang July 10 (KCNA)—a press conference took place today at the international press hall regarding the questions as to the foreign policy of the DPRK which were raised by foreign journalists who came to Korea to cover the 13th World Festival of Youth and Students.

At the news conference Chon In-chol, vice-minister of foreign affairs, referred to the DPRK's foreign policy of independence, peace and friendship.

Saying the DPRK is an independent, peace-loving socialist state, he stressed that independence, peace and friendship are the basic ideas maintained by the DPRK Government in its relations with other countries.

By pursuing the independent foreign policy on the part of the DPRK Government, he said, it is meant that in its relations with other countries it thoroughly defends the nation's sovereignty, respects the sovereignty of other countries and settles international issues independently in the interests of the Korean people and in the interests of the world people.

Noting that the DPRK Government decides all its foreign policies independently and carries on external activities according to its own judgement and views, he said the DPRK Government develops relations with other countries on the principles of complete equality and mutual respect, does not allow any one to encroach upon the interests of the Korean nation or interfere in its internal affairs, and does not blindly follow what others do.

Touching upon the domestic and foreign policy of the DPRK Government on the establishment of a nuclear-free, peace zone, he emphasized that it follows the foreign policy of friendship in order to develop friendly and cooperative relations among the countries and peoples who advocate chajusong.

The DPRK Government will develop economic and technological cooperation and cultural interchange also with the capitalist countries with which it has no state relations on the principles of equality and mutual respect and develop the friendly relations with the peoples of these countries, he said, and went on:

We are ready to be on good terms with the United States, too, if it withdraws its forces from South Korea and refrains from obstructing the reunification of our country, and it will also be possible for us to improve relations with Japan if it discards the hostile policy against our country and shows in deed it ceased from moves to create "two Koreas."

Our party and the government of our Republic will follow to the letter the foreign policy the basic idea of which is independence, peace and friendship in the future, too, and thus accomplish the cause of peace in Korea and her independent and peaceful reunification and contribute to establishing an equitable international order based on Chajusong and defending world peace and security, he stressed.

Answers were given to the questions raised at the press conference.

Soviet Media Report Closing of WFYS
SK1107052089 Pyongyang KCNA in English
0505 GMT 11 Jul 89

[Text] Moscow July 9 (KCNA)—Soviet Papers and TV gave wide publicity to the closure of the 13th World Festival of Youth and Students [WFYS].

Pravda dated July 9 said under the title "The Festival Closes":

The flame of the 13th WFYS was leaping from July 1 to 8 in the air above the capital of the Democratic People's Republic of Korea.

The largest assembly of young peoples ever in the history of the festival movement closed with a grand ceremony and beautiful performance. The festival was participated in by delegates of 180 countries. They say the festival flame lighted all problems of the youth movement and showed the young generation on the globe ways of further strengthening mutual understanding and cooperation.

On July 9 KOMSOMOLSKAYA PRAVDA carried a photo-accompanied report about the closure of the festival under the title "No Parting," and SELSKAYA ZHIZN a report on it under the headline "Farewell to Pyongyang!"

IZVESTIA in its evening issue July 8 carried an article on the closing ceremony of the festival under the headline "Farewell Fireworks of the Festival".

The Central TV on the evening of July 8 telecast the closing function of the 13th WFYS and the grand mass gymnastic display "Korea Today" performed at Kim Il-song Stadium.

Screening the closing function, it repeatedly showed scenes of the great leader Comrade Kim Il-song appearing on the rostrum and acknowledging the cheers of the crowds.

TASS Reports on Closing
SK1007154589 Pyongyang KCNA in English
1528 GMT 10 Jul 89

[Text] Moscow July 8 (KCNA)—TASS on July 8 reported about the closure of the 13th World Festival of Youth and Students as follows:

The closure of the 13th World Festival of Youth and Students was declared with the festival flame put out at the May Day Stadium.

150,000 youth delegates and spectators were eyewitnesses of the spectacular scenes that spread on the ground of the stadium and its background stand, and even in the sky above it.

All the people shared the view that there had been no beautiful and grand ceremony of such gigantic scale in the festival history.

A message to the youth and students of the world was adopted at the ceremony. It urged the youth and students to make utmost efforts in particular to remove the danger of nuclear war and build a new world free from nuclear weapons.

President Kim Il-song of the Democratic People's Republic of Korea, who is general secretary of the Central Committee of the Workers' Party of Korea, was present at the closing ceremony of the festival.

Conveying words of delegates of various countries to the 13th WFYS, TASS said:

A delegate from Zambia said he thought that the world festivals of youth and students should be held on the same scale as the Pyongyang festival in future.

A British delegate gave his impressions in the following words:

The anti-imperialist struggle must be the core of the essence of the festival movement. The form of the festival may change, but its essence cannot change on any account.

The festival in the DPRK, a Canadian delegate said, went beyond imagination. Everyone is satisfied with this festival, I believe.

A Canadian said:

The festival was really marvelous.

Young people from all parts of the world exchanged their views on various problems. It is the most important for us to make efforts to carry into practice the idea of the festival in our respective organizations back home.

A Yugoslav delegate said that the festival in the DPRK was organised well.

Kim Il-song Receives Festival Greetings
SK1107105989 Pyongyang KCNA in English
1009 GMT 11 Jul 89

[Text] Pyongyang July 11 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea received messages of greetings from presidents of various countries on the occasion of the 13th World Festival of Youth and Students.

A message dated June 29 from President Didier Ratsiraka of the Democratic Republic of Madagascar says that the participation of a Malagasy delegation in the festival was an expression of the full support and solidarity of the Malagasy people for the struggle of the Korean people to achieve the independent and peaceful reunification of the country, their unanimous desire, against the imperialist moves for aggression and nuclear war.

The message from President Mohamed Siad Barre of the Somali Democratic Republic stresses that the festival this time is a grand international meeting of importance in the development of the world youth movement and in defence of global peace and solidarity.

UNESCO Official Praises Pyongyang Festival
SK1007154089 Pyongyang KCNA in English
1522 GMT 10 Jul 89

[Text] Pyongyang July 10 (KCNA)—Pierluigi Vagliani, director of the UNESCO youth, who had visited Korea as a guest of honor to the 13th World Festival of Youth and Students, was interviewed by a KCNA reporter before leaving Pyongyang.

Pointing out that the Pyongyang festival was held excellently as a grand political festival of world youth and students without precedent in the history of the festival thanks to the positive efforts of the Korean people, he said:

I took part in the world festival of youth and students four times, but it is the first for me to see such a peculiar, fascinating and completely successful festival as the Pyongyang festival this time.

The Pyongyang festival is a model which shows how the world festival of youth and students should be held in the future.

Three things most deeply impressed me in the Pyongyang festival.

The first thing is the opening and closing ceremonies of the festival which were held with a large attendance.

Beautiful artistic skill, fascinating festival stage and background stand were things which could not be seen without admiration.

The second thing is that the Pyongyang festival was a large-scale festival of youth and students.

Participated in by youth and student delegations from almost all countries of the world and more than 60 delegations and delegates from international and regional organisations and many guests of honor, it was a festival of the most grand scale in the history of the festival movement.

The third thing is that the fora of the Pyongyang festival were held with success under the noble slogan "Anti-imperialist Solidarity, Peace and Friendship" to further consolidate solidarity among youth and students on the five continents of the world.

Through the fora of the Pyongyang festival, delegates of the youth and students from the five continents who have different ideologies and political views, clearly showed their common aspiration and desire, transcending the differences in views.

As mentioned above, the Pyongyang festival completely grasped the hearts of the festival participants and greatly encouraged the development of the movement of the world youth and students.

Through the festival, I felt anew that the Korean people are a people with a strong organisational spirit and discipline, he stressed.

Mass Meeting Held To Welcome Zambian Delegates
SK1007052489 Pyongyang KCNA in English
0501 GMT 10 Jul 89

[Text] Pyongyang July 10 (KCNA)—A mass meeting was held in South Pyongan Province Sunday in welcome of the Zambian party and government delegation.

Invited to the meeting were the members of the Zambian party and government delegation headed by A.G. Zulu and Zambian Ambassador to Korea M. Mainza Chona.

Present there were chairman of the South Pyongan Provincial Administration and Economic Guidance Committee Kim Ui-sun, Vice-director of a department of the Central Committee of the Workers' Party of Korea [WPK] Kil Chae-kyong and other officials concerned as well as working people in Pyongsong.

Addressing the meeting, secretary of the South Pyongan Provincial Committee of the WPK Yi Sang-yol said that historical meetings between the great leader Comrade Kim Il-song and respected President Kenneth David

Kaunda on several occasions were epochal events which consolidated and developed onto a new high stage the friendly and cooperative relations between the two parties, two countries and two peoples.

The United National Independence Party of Zambia and the Zambian people under the correct guidance of His Excellency President Kenneth David Kaunda are waging a vigorous struggle to build a socialist and humanitarian society in Zambia, holding the power in their hands and proudly exercising sovereignty, he noted.

He added that Zambia, the chairstate of the frontline states, is extending full support to the struggle of the Namibian and South African people and striving hard to realise the independence of Namibia and peace and security in this region.

A.G. Zulu spoke next.

He pointed out that the Democratic People's Republic of Korea made a great contribution to strengthening solidarity with the world people and developing peace and friendship by successfully ensuring the festival.

Foreign forces and nuclear weapons should be completely withdrawn from South Korea, he said, stressing:

We will invariably and positively support the Korean people in the struggle for national reunification.

WPK Hosts Banquet for Group

SK0907155989 *Pyongyang KCNA in English*
1544 GMT 9 Jul 89

[Text] Pyongyang July 9 (KCNA)—The Central Committee of the Workers' Party of Korea gave a banquet this evening for the Zambian party and government delegation headed by A.G. Zulu, secretary-general of the United National Independence Party of Zambia, now on an official goodwill visit to Korea.

Speaking at the banquet, Yi Chong-ok, member of the Political Bureau of the Central Committee of the Workers' Party of Korea and vice-president, noted that the bonds of friendship between the peoples of the two countries which were established in the course of the common struggle to build a new world against imperialism and for independence are developing more favorably with every passing day. The 10th Congress of the United National Independence Party of Zambia last year was an important occasion that opened a new phase in the struggle of the Zambian Party and people, he said.

Referring to the fact that since the party congress the United National Independence Party of Zambia has registered great successes by actively rousing the entire people in the efforts to develop the independent national economy and national culture while expanding and

strengthening the party ranks and consolidating unity and solidarity of the nation, he warmly congratulated them on all their victory and successes in the building of a new society.

Referring to the friendly and cooperative relations between the two countries, A.G. Zulu in his speech said Zambia fully supports the Democratic People's Republic of Korea in its efforts to reunify the country.

He stated that to ease the tension and guarantee peace on the Korean peninsula is of weighty significance in improving the situation in the Asia-Pacific region and easing the international tensions.

Making a comment on the recent situation in the southern African region, he called upon the world's peaceloving forces and international community to make positive efforts for peace and security in this region.

WPK-UNIPZ Protocol Signed

SK1007155089 *Pyongyang KCNA in English*
1538 GMT 10 Jul 89

[Text] Pyongyang July 10 (KCNA)—A protocol on mutual cooperation between the Workers' Party of Korea and the United National Independence Party of Zambia [UNIPZ] was signed here today.

It was signed by Yi Chong-ok, member of the Political Bureau of the WPK Central Committee and vice-president, and A.G. Zulu, secretary-general of the UNIPZ.

Education Commission Chairman Replaced

SK1107074089 *Pyongyang KCNA in English*
0619 GMT 11 Jul 89

[Text] Pyongyang July 11 (KCNA)—The great leader Comrade Kim Il-song, president of the Democratic Peoples Republic of Korea, promulgated on June 28 a decree of the Central Peoples Committee on the appointment and dismissal of the chairman of a commission of the Administration Council.

According to the decree, Comrade Pyon Yong-nip was relieved of the chairmanship of the Education Commission according to his transfer to other post and Comrade Choe Ki-yong was appointed as chairman of the Education Commission.

South Korea

Realignment of Political System Discussed

Change in Constitution Hinted At

SK0607024089 *Seoul YONHAP in English* 0221 GMT
6 Jul 89

[Text] Ottawa, July 5 (YONHAP)—South Korea's Democratic Justice Party [DJP] Chairman Pak Chun-kyu predicted a radical realignment of South Korea's political parties by the end of next year and hinted at a change in the Constitution to adopt a parliamentary system instead of the current presidential system Wednesday.

"It is necessary to restructure the political camps to jointly cope with national crises. Conditions for it are maturing, and such a change will be possible within one and half years if each party reveals its own color more clearly," said Pak, here to participate in an international political party conference.

The top ruling party official told reporters accompanying him it is time for each party in his country to abandon ambiguous attitudes because North Korea's challenge is growing stronger.

"Political parties adhering to liberal democracy must line up in the same row to achieve political stability," Pak said.

The professor-turned-politician forecast that the change will be realized in three phases, beginning with groupings of parties along policy lines or alliances in the National Assembly.

He said coalition and amalgamation of parties will follow and expressed his willingness to lead the change.

Pak hinted at constitutional revision, saying, "Opposition leaders may want to change the current constitutional system."

Political parties should be clearly divided into conservative, social democratic and North Korean communist so that people can easily distinguish them, Pak said.

He expressed the hope that the National Alliance of Democratic Movements, the largest dissident group in South Korea, becomes a political party.

Pak and a few other ranking officials in the ruling camp have made similar calls for a new political structure before, but this is the first time that a leading politician has predicted such a change with a time limit.

President No Tae-u, who was elected in a direct election in 1987, has three and half years of his term remaining.

Kim Chong-pil Predicts Major Changes

SK0807085289 Seoul YONHAP in English 0748 GMT
8 Jul 89

[Text] Seoul, July 8 (YONHAP)—Opposition leader Kim Chong-pil said Saturday that South Korean politics cannot avoid being restructured after current problems are solved.

Kim, returning to Seoul after a three-week trip to the United States and Japan, said: "Looking over the current political situation, I think it is inevitable for the political arena to experience some major changes once controversial issues have been settled."

The president of the New Democratic Republican Party (NDRP) told reporters upon arrival at Seoul's Kimpo International Airport that he thinks the four political parties have not yet fully shown their "true colors."

But the day will come when the current parties must face national judgement in accordance with their ideology.

He said that, for the moment, the atmosphere has not ripened enough for political realignment to be discussed or sought, but it should be deeply studied and dealt with sometime in the near future.

He refused to say how he thinks the system should be reshaped.

No Tae-u, Kim Chong-pil Plan Talk

SK0807123889 Seoul YONHAP in English 1157 GMT
8 Jul 89

[Text] Seoul, July 8 (YONHAP)—President No Tae-u will meet with conservative minority opposition leader Kim Chong-pil Monday [10 July] to discuss a wide range of domestic and foreign policy issues.

In the meeting to be held over a luncheon at the presidential residence of Chongwadae, No and Kim will concentrate their talks on suprapartisan cooperation in the country's diplomatic efforts based on the results of Kim's visits to the United States and Japan.

The two will also discuss pending domestic political issues, including the controversy over the secret visits to the communist North Korea by an opposition lawmaker and an activist coed, a Chongwadae official said.

Kim returned home Saturday from a three-week trip to the United States and Japan where he met with local political leaders.

During his U.S. tour, Kim had talks with ranking U.S. administration officials over the U.S. military presence in South Korea as well as the bilateral economic cooperation.

Kim met with Japanese Prime Minister Sosuke Uno and his predecessors like Yasuhiro Nakasone and Noboru Takeshita to discuss Japan's North Korea policy, improvement of legal status of Korean residents in Japan, and possible repatriation of Koreans in the Soviet-held Sakhalin.

An informed source in the presidential office said the possibility for No and Kim to discuss the future course of the domestic politics cannot be ruled out in connection with Kim's call for realignment of the present four-party political structure.

Kim Implies Agreement With No
*SK1007104889 Seoul YONHAP in English 0951 GMT
10 Jul 89*

[Text] Seoul, July 10 (Yonhap)—Opposition leader Kim Chong-pil hinted Monday that he and President No Tae-u see eye to eye on a major realignment of South Korea's political parties, a prerequisite for adopting a parliamentary cabinet system.

"We shared the view that the time is coming near for us to be firmly united in accordance with one's own color, as has been shown in its respective field, and begin taking necessary actions to meet this trend," Kim, head of the New Democratic Republican Party (NDRP), said after a meeting with No.

Kim strongly implied that he and No agreed in principle on the need to reorganize the political structure.

He has repeatedly said the current structure of three opposition parties' holding a combined majority of National Assembly seats should be changed and that the presidential system ought to be transformed into a cabinet system.

No and Kim, prime minister under the late President Pak Chong-hui, agreed that "all democratic forces should jointly cope with leftist forces, which threaten the foundations of free democracy," presidential spokesman Yi Su-chung said.

They also agreed that any contact or dialogue with North Korea unauthorized by the government "should be severely punished to protect the free democratic system," he said.

No and Kim also emphasized that suprapartisan measures are urgently needed to cope with widespread leftist attempts to overthrow the government, Yi said.

Expressing worries over Rep. So Kyong-won's trip to North Korea, the two agreed the government should be the sole channel for contact and dialogue with Pyongyang, Yi said.

They also cautioned against discussions on removing U.S. forces until South Korea secures a balance with the North in military capability, Yi said.

The stand contradicts the position taken by top opposition leader Kim Tae-chung, who said the two countries should carefully consider reducing U.S. troops stationed in Korea in accordance with changing circumstances.

Dissident and radical student groups have demanded the withdrawal of U.S. forces, but a majority of South Koreans want them to remain, according to a nationwide survey.

Kim was quoted as telling No that U.S. Defense Secretary Richard Cheney, whom the NDRP leader met in the United States, made it clear that the U.S. position on maintaining troops in Korea remains unchanged.

Kim urged No not to hurry his northern diplomacy, an initiative to improve relations with communist countries, and charged him with causing confusion among the people, Yi said.

Kim also called for stern measures to restore state power and firmly establish social order, Yi said. No invited Kim, just back from a three-week trip to Canada, the United States and Japan, to discuss political and state affairs.

Three Opposition Leaders May Meet
*SK1107075589 Seoul YONHAP in English 0721 GMT
11 Jul 89*

[Text] Seoul, July 11 (YONHAP)—South Korea's top two opposition leaders may meet separately with Kim Chong-pil, president of the New Democratic Republican Party, this week for briefings on Kim's talks with President No Tae-u on Monday.

The meetings, which would be the first between the opposition leaders in three months, were proposed by the NDRP leader so that he could explain what was discussed with No.

A positive response was forthcoming from Kim Tae-chung, president of the Party for Peace and Democracy (PPD), and Kim Yong-sam, president of the Reunification Democratic Party [RDP].

Kim Tae-chung reserved acceptance, however, saying topics to be discussed in the meeting should be coordinated in advance.

Sources said Kim Chong-pil hopes to cover pending political and social issues in the meeting.

Political watchers say the three Kims may seek to work out a unified position on such thorny issues as the "liquidation" of the legacies of the former administration's misrule and solving public resentment over the bloody suppression of a civil uprising in Kwangju in 1980.

They predicted that the three Kims will try to hammer out a compromise on the two key issues that is milder than their previous demands, noting that, after meeting No, Kim Chong-pil said he might work to find a "compromise."

The three opposition parties have asked the government to sternly punish core officials of former President Chon Tu-hwan's government allegedly involved in the misrule.

Kim Tae-chung's PPD, with its power base in Kwangju and the neighboring Cholla provinces, has most strongly demanded that Rep. Chong Ho-yong of the ruling Democratic Justice Party be removed from his official posts.

Chong, commander of the Special Warfare Command when units under its control figured prominently in the brutal suppression of the Kwangju uprising, refuses to accept the opposition demand although it is tacitly backed by moderates in the ruling party.

The Kims may also discuss calling an extraordinary session of the National Assembly to grill the government over crackdown by security authorities on what it labels as leftist forces.

DJP's Pak Moves To Open Debate

SK1107080789 Seoul YONHAP in English 0728 GMT
11 Jul 89

[Text] Tokyo, July 11 (YONHAP)—South Korea's top ruling party official moved a step closer to open debate on a constitutional revision to adopt a parliamentary system of government Tuesday.

Rep. Pak Chun-kyu, chairman of the Democratic Justice Party [DJP], hinted he plans to push for a constitutional amendment scrapping the presidential system in favor of a cabinet system.

"I think a good many of my fellow lawmakers believe that the parliamentary cabinet system is more suitable than the presidential government system under South Korea's multi-party political structure," Pak said during a luncheon at Tokyo's Foreign Correspondents' Club.

Pak was en route to Seoul from Canada, where he attended a meeting of International Democrat Union.

"Although now is not the time to rewrite our Constitution [as received], many opposition lawmakers surely understand that it is desirable to discuss the issue in political circles or public debate," said Pak, the DJP's no. 2 man after President No Tae-u.

His remarks came one day after hints by moderate opposition leader Kim Chong-pil on realignment of Korea's political parties, a prerequisite for adopting the cabinet system.

Kim, president of the New Democratic Republican Party, implied that he and No agreed on the need to reorganize the political structure when they met on Monday.

"We shared the view that the time is coming near for us to be firmly united in accordance with one's own color and begin taking necessary actions to meet this trend," Kim said.

Pak criticized the current structure of three opposition parties holding a combined majority of National Assembly seats, saying it failed to provide a base for healthy party politics and worsened regional conflicts.

Pak and other key ruling party officials have privately aired the possibility of revising the constitution, but Pak's remarks were the most open and official to date, moving a step closer to full debate on constitutional revision, analysts say.

The first step in political restructuring would be for the ruling party to form a coalition with another party or parties to overcome its lack of a majority in the assembly.

Cooperation would develop from policy matters to a coalition government and the ruling party may seek a compromise with the opposition on constitutional revision, they say.

Opposition leader Kim Tae-chung of the Party for Peace and Democracy recently hinted he may retract his stand against the cabinet system.

Rival opposition leader Kim Yong-sam of the Reunification Democratic Party is firmly against the cabinet system.

The parliamentary system will be the next major political debate once pressing political issues, including the liquidation of the government of former president Chon Tu-hwan, near completion, the analysts say.

Party Realignment Openly Discussed

SK1107093589 Seoul YONHAP in English 0918 GMT
11 Jul 89

[Text] Seoul, July 11 (YONHAP)—Talks on realignment of South Korea's political parties, long conducted behind the scenes, are breaking out into the open.

Amid widespread speculation that President No Tae-u and Kim Chong-pil, the leader of a conservative minority opposition party, discussed the issue in depth when they met on Monday, top ruling party leaders have begun speaking out on the long-pending topic.

In a party caucus Tuesday, ruling party leaders went so far as to openly champion a comprehensive step-by-step restructuring, starting with alliances on individual policy matters and graduating to a coalition government.

Yi Chong-chan, secretary-general of the Democratic Justice Party, told reporters that realignment of Korea's four political parties will be an "epochal turning point" in elevating the nation's political standards another notch.

Answering reporters' questions about the discussion between No and Kim, Yi cautioned that realignment should be achieved "not by physical but by chemical combinations" of political parties or factions.

"Not only the four political parties but also the dissident groups should reveal their true political colors for 'chemical' realignment," he said.

Yim Pang-hyon, the ruling party's Central Committee chairman, called for a common front of "free democratic forces" on security and foreign policy issues as the key to smooth realignment of the political community.

It was the first time that the issue was formally discussed in a ruling party caucus and announced by the party spokesman.

On the same day, Pak Chun-kyu, the no. 2 man after No in the ruling party, reiterated in Tokyo his call for a constitutional amendment for parliamentary cabinet rule.

Pak, in Canada before Tokyo, called for eventual realignment of politics, dominated by the three opposition parties that took control of the National Assembly after winning a combined floor majority in the 1988 general elections.

Pak has repeatedly called for a constitutional amendment for parliamentary cabinet rule since the ruling party's defeat in the 1988 elections, but the ruling party as well as the office of the president have discounted them as Pak's private opinions.

Kim Tae-chung, leader of the No. 1 opposition party who had dismissed Pak's calls as an attempt to destroy the opposition alliance, recently hinted he might change his position on the issue.

Rival opposition leader Kim Yong-sam remains staunchly against cabinet rule, but has maintained close relations with the No government in its diplomatic efforts to improve relations with communist countries.

Court Asked To Uphold Sentence for Kim Hyon-hui
SK0807115589 Seoul YONHAP in English 1145 GMT 8 Jul 89

[Text] Seoul, July 8 (YONHAP)—The prosecution Saturday asked the Seoul High Court to uphold death for Kim Hyon-hui, a self-confessed North Korean agent, who was earlier sentenced by a lower court to the capital punishment for her role in the destruction in November, 1987, of a Korean Air (KAL) jetliner, killing 115 people on board.

The prosecution demand came in a trial held at the Seoul appellate court. Prosecutor Yi Sang-hyong asked a three-judge panel to reject an appeal filed by the North Korean saboteur and her defense lawyers and uphold the death sentence handed by the Seoul District Court last April 25.

Yi ruled out any room for sympathy for the 27-year-old defendant, saying, "She is a North Korean agent who underwent special training and bombed the airliner under orders from North Korean leaders and killed 115 people."

Kim was charged with bombing a KAL international jetliner under a North Korean plot to scare foreigners away from Seoul olympics. Kim confessed in a press conference in Seoul that she planted inside the ill-fated jetliner a bomb designed to blow off during its flight from Abu Dhabi to Bangkok. The plane disappeared over the seas off Burma.

Kim, now under the custody of the Agency for National Security Planning (former Korean Central Intelligence Agency), arrived at the courthouse under heavy guard. Police deployed about 700 troopers around the courthouse to prevent possible disturbances and protests by relatives of the victims of the North Korean sabotage.

Attired in white shirt, white windbreaker, white footwear and beige trousers, Kim looked in good health.

Yim Su-kyong's Panmunjom Return Plans Discussed

South Not To Allow Yim Through
SK1107023289 Seoul THE KOREA HERALD in English 11 Jul 89 p 3

[Text] Yim Su-kyong, a south Korean coed dissident visiting north Korea, will not be permitted to return home via the truce village of Panmunjom, the YONHAP NEWS AGENCY said yesterday.

The south Korean government consulted with the U.N. Command on its plan to prevent Yim from passing through Panmunjom, YONHAP said.

At a recent news conference in Pyongyang, Yim said she would return home via Panmunjom after a march from Mt. Paektu to the truce village from July 20-27.

North Korea is very likely to use Panmunjom for political propaganda if Yim is permitted to return home through the truce village, a south Korean government official was quoted as saying.

Yim arrived in Pyongyang June 30 via East Berlin without obtaining permission from the south Korean government.

The south Korean government asked the U.N. Command for cooperation in preventing Yim from coming through the truce village, the official was quoted as saying.

UN Command Asked To Prevent Return

SK1107035089 Seoul YONHAP in English 0330 GMT
11 Jul 89

[Text] Seoul, July 11 (OANA-YONHAP)—The United Nations Command has been asked to prevent a South Korean student now in North Korea from entering the South via Panmunjom, the truce village between South and North Korea, a government source said Tuesday.

Yim Su-kyong, the sole delegate of the South Korean National Student Representatives' Council to the 13th International Youth Festival in Pyongyang, has repeatedly vowed that she plans to return through the truce village in the Demilitarized Zone "in a symbolic gesture to advance the reunification of the divided nation."

The 22-year-old French language senior of Hanguk University of Foreign Studies will reportedly take part in the "international peace march for reunification of the Korean peninsula," starting from Mt. Paektu, the peninsula's northernmost mountain, on July 20 and finishing at Panmunjom on July 27.

"The government will not allow Yim to pass through Panmunjom because she could be taken advantage of by the North's political propaganda machine and it has so informed the U.N. forces, which control the truce village," the official said.

It is necessary for the U.S.-led U.N. Command and North Korea to both approve transit through Panmunjom to the other side, and the North's unilateral decision to let the South Korean coed pass through the village is improper, the official said.

Panmunjom sits on the 250-kilometer-long Military Demarcation Line across the waist of the peninsula in the four-kilometer-wide Demilitarized Zone. The village belongs to the Joint Security Zone, over which U.N. forces share jurisdiction with the North.

If Yim tries to cross directly through the village, Seoul wants the U.N. forces at the village to send her back to the North. She went to Pyongyang via Tokyo and Berlin.

Yim's illegal visit to Pyongyang comes amid mounting national interest in reunification, which became a hot topic with the unauthorized visits to North Korea by a dissident pastor in late March and by a lawmaker last August.

Yim Faces Arrest at Panmunjom

SK1107093689 Seoul TONG-A ILBO in Korean
11 Jul 89 p 2

[Text] Miss Yim Su-kyong, who went to Pyongyang illegally as a delegate of the National Council of University Student Representatives [Chondaehyop], revealed in a news conference that she will return home via Panmunjom around 27 July. With regard to this, it was reported on 11 July that the government will not allow it, and if the North Korean side allows Miss Yim to pass through Panmunjom, which violates the armistice agreement, the government will detain and arrest Miss Yim at Panmunjom.

Miss Yim many times revealed her plan to participate in the international peace march from Mt Paektu to Panmunjom for the reunification of the Korean peninsula, for one week from 20 July, and then to return home via Panmunjom.

With regard to this, a government official said that they will not allow this because if Miss Yim is permitted to return home via Panmunjom, North Korea is very likely to use this as an opportunity for political propaganda. The government official also said that if this is carried out without mutual agreement with the Military Armistice Commission, it is a violation of the armistice agreement.

This authority revealed that if a civilian passes through Panmunjom, violating the Armistice Agreement, the United Nations forces, who have the right to guard this area, can apprehend that civilian.

This authority explained that if the UN forces are involved in the arrest, the Korean Augmentation Troops to the U.S. Army will execute the procedure and hand Miss Yim over to the Korean public security authorities.

More on Investigation of So Kyung-won's Trip

Wife's Brother-in-Law Arrested

SK0907052989 Seoul THE KOREA TIMES in English
9 Jul 89 p 3

[Text] Yi Hui-u, 37, the brother-in-law of Rep. So Kyung-won's wife was arrested yesterday for failing to report to the law-enforcement authorities the lawmaker's secret visit to North Korea last August.

Yi had been being investigated by security agents, along with his wife, Yim Myong-hui, 37, but she was released.

The couple is learned to have been managing the financial affairs of the lawmaker. The authorities suspect that North Korean funds could have been funneled to So via West Germany.

Security agents are seeking to ascertain whether the lawmaker's wife, Yim Son-sun, 40, had known of her husband's unauthorized trip to Pyongyang.

But security officials have failed to detain her as she has left her home.

According to the tough National Security Law, wives are not entitled to exemption from punishment for failing to report their husbands' violation of the Law.

Since the lawmaker surrendered to the security officials late last month, the Agency for National Security Planning have arrested eight persons for failing to report So's secret trip, including So's two aides, and two key leaders of the Korean Catholic Farmers Association.

Reporter's Notes To Be Confiscated

SK1007103889 Seoul YONHAP in English 0825 GMT
10 Jul 89

[Text] Seoul, July 10 (YONHAP)—A direct assault on press freedom was signalled by South Korea's top intelligence agency Monday as it secured a warrant to search the editorial office of the progressive daily newspaper HANGYORE SINMUN and confiscate a reporter's notes on a lawmaker's trip to North Korea.

Investigators of the Agency for National Security Planning (NSP) said a judge issued the warrant at 4:20 p.m.

They said they were seeking the warrant because repeated requests for articles and notes kept by the journalist inside his private filing cabinet were rejected by HANGYORE.

NSP agents suspect photographs of the lawmaker taken in Pyongyang last August were given to Yun Chae-kol during an interview in March. Yun, for whom the NSP has an arrest warrant on charges he failed to report the lawmaker's secret visit, is hospitalised for the treatment of a chronic illness.

They allege that Rep. So Kyong-won of the Party for Peace and Democracy (PPD) gave Yun two black-and-white photographs of himself in Pyongyang and more than 20 sheets of pink-colored paper with a North Korean letterhead, which NSP agents hope to find in their search of the newspaper's editorial office for use as evidence in building their cases against both Yun and So.

HANGYORE has tenaciously rejected demands it hand over the articles and Yun's notebooks, arguing that they are protected and can only be used for journalistic purposes.

The NSP says it has asked the daily to comply with its request five times, but all in vain.

HANGYORE, founded last year by journalists fired for their views during former administrations, has attacked government policies on unification and its handling of private trips to Pyongyang.

On another front in the probe of So's trip, the NSP will conclude a two-day interrogation of fellow PPD Rep. Yi Chol-yong later Monday.

NSP sources said investigators have reason to suspect that Yi knew of So's visit before it became public knowledge.

The NSP may ask Yi to answer more questions on Tuesday and if he declines the agency will seek a court order for his detention, they said.

Yi Kil-chae Admits Learning of Trip

SK1107013489 Seoul THE KOREA TIMES in English
11 Jul 89 p 1

[Text] Yi Kil-chae, a ranking official of the Party for Peace and Democracy [PPD], who is under arrest in connection with the So Kyong-won affair, admitted yesterday that he first heard about So's secret visit to North Korea during a tour of Budapest, Hungary, in February this year.

He was quoted as saying, "During the three-day visit to Hungary in February, So told me that he traveled to Pyongyang and met North Korean leader Kim Il-song."

"So also told me that he traveled on a special plane provided for him by North Korea and that he discussed national unification with Kim Il-song. He mentioned that he criticized Kim for transferring his power to his son, Chong-il."

He made the admittance during his hour-long interview with PPD lawyers Yi Sang-su, Pak Sang-chon and Pak Pyong-il at the Chungbu Police Station from 6 p.m. yesterday.

Yi Chol-yong Declares Innocence

SK0807032689 Seoul THE KOREA TIMES in English
8 Jul 89 p 2

[From the "Press Pocket" column: "Third-Rate Comedy"]

[Text] The reported plan by the security agency to whisk him away for his alleged connection with Rep. So's North Korean visit is a "third-rate comedy" produced by the No Tae-u regime to destroy the PPD, said Rep. Yi Chol-yong.

"I am innocent. So, I'd like to give myself up to help determine the truth."

Yi made the remarks during a meeting of the PPD legislators, in which he flatly denied the suspicion thrown on him by the investigative authorities.

PPD chief policy maker Rep. Kim Pong-ho criticized the government for making ill use of the So Kyung-won case to avert the opposition demand for the liquidation of the past evils from the Fifth Republic.

Yi Chol-yong Interrogated, Released

SK1107014089 Seoul THE KOREA TIMES in English
11 Jul 89 p 1

[Text] The Agency for National Security Planning released Rep. Yi Chol-yong of the Party for Peace and Democracy from a 47-hour-long interrogation on his alleged complexity in So Kyong-won's visit to North Korea at 8 p.m. yesterday.

However, the NSP booked Yi without physical detention on suspicion of having failed to report his knowledge on So's illegal visit to the authorities.

Meeting reporters at party headquarters, Yi revealed that he was intensively queried about how he met with So at the Frankfurt airport last August and what they talked about, if he discussed a plan for his trip to Pyongyang with Yi Yong-chun and Chong Kyu-myong, both residents in West Germany, and to what extent he was involved in novelist Hwang Sok-yong's travel to the North.

Yi disclosed that he turned himself in to the NSP at the coffee shop of the New World Hotel in Samsong-tong, southern Seoul, at 9 p.m. Saturday and was taken away to a facility of the security agency.

He said he did not know the location of the facility because he was requested to close his eyes two or three minutes before he arrived at the house.

After the questioning, Yi was handed over to PPD lawyers Cho Sung-hyong and Pak Sang-chon at the Palace Hotel at around 8 p.m. yesterday.

Yi revealed that he was first questioned about the reason why he decided to appear voluntarily before the authorities in spite of the PPD's decision to refuse a summons for him.

He noted, "I told the investigators that I wanted to help restore political stability and establish the truth. And I was weary of the government's scheme to destroy the PPD, taking advantage of the So case."

Yi also disclosed that the investigators quoted So as saying, "I confessed to Yi about my visit to the North, showing him about 200 photos taken in North Korea when Yi visited me last September."

"They also told me that So has said he had a drink with me and Rep. Cho Hong-kyu at the Honam Restaurant in Yoido when he talked about his secret visit to the North," Yi revealed.

Yi said that he has never had the drinking meeting with them.

DJP Silent on Yi Questioning

SK1107014689 Seoul THE KOREA TIMES in English
11 Jul 89 p 2

[From the "Press Pocket" column: "DJP's Silence"]

[Text] The governing Democratic Justice Party [DJP] yesterday remained silent about the interrogation by the Agency for National Security Planning of Rep. Yi Chol-yong over the weekend about his possible connection with Rep. So Kyong-won's secret visit to North Korea.

The DJP's silence was understood as designed not to stimulate Kim Tae-chung's Party for Peace and Democracy which is engulfed in bewilderment triggered by Rep. So who was expelled from the party for his secret visit to Pyongyang last year.

Rep. Son Chu-hwan, director of the party's Office of Planning and Coordination reported on the overnight interrogation to a meeting of key party officers yesterday.

But, deputy party spokesman Yi Kung-kyu refused to say what was said about Rep. Yi's interrogation in the meeting. Instead, he said, "Our party will watch the ongoing interrogation by the authorities."

PPD Softens 'Hard-Line Stand' After Yi Release

SK1107035689 Seoul YONHAP in English 0223 GMT
11 Jul 89

[Text] Seoul, July 11 (YONHAP)—Political tempers cooled when South Korea's largest opposition party retracted its hard-line stand against the government Tuesday after intelligence agents released a lawmaker detained for questioning about a fellow lawmaker's trip to North Korea.

But Kim Tae-chung's Party for Peace and Democracy (PPD) warned it will resolutely resist government attempts to use Rep. So Kyong-won's illegal visit to Pyongyang for political purposes.

The party, which expelled So immediately after his arrest June 28 on charges of violating the National Security Law, also said it will reject informal requests for PPD officials to submit to questioning about the trip, which has damaged its image and shocked the nation.

The Agency for National Security Planning (NSP) released PPD lawmaker Yi Chol-yong Monday night after questioning him since Saturday evening about So's trip.

The NSP booked the novelist-turned-politician without physical detention on suspicion of having failed to report a contact with the North to the authorities, a prosecution spokesman said.

Kim Tae-chung said he firmly believes Yi is innocent, accusing the government of magnifying So's crime into a PPD crime in an attempt to destroy his party.

Yi was the first lawmaker to be questioned by the NSP in connection with So's secret travel to Pyongyang, which has so far led to the arrests of ten people, including PPD External Affairs Committee Chairman Yi Kil-chae, So's aides, a brother-in-law and So's alleged mistress, mostly on charges of not reporting So's journey to North Korea.

The NSP also has an arrest warrant for Yun Chae-kol, a journalist of a liberal Seoul daily, on the same charges, but it hasn't been served as he is in hospital.

Anyone who fails to report a violation of the National Security Law can be sentenced to up to five years in prison and fined up to 3 million won.

It is not known whether the NSP will again summon Yi for questioning or directly arrest him.

Meeting with reporters at PPD headquarters after he was released from a "safe house" owned by the NSP, Yi said he was intensively questioned about how he met So at Frankfurt Airport last August and what they talked about.

Yi also said he was asked why he met alleged North Korean agents in West Germany. The NSP believes they arranged So's trip to Pyongyang.

Yi said the allegations against him are "totally groundless."

The NSP will announce the result of its investigation Friday or Saturday, at the earliest, the prosecution spokesman said.

Government Said To Exploit Case
SK1107022489 Seoul THE KOREA HERALD
in English 11 Jul 89 p 2

[Text] The opposition Party for Peace and Democracy said yesterday it would intensify efforts to lay bare what it alleged was the government's plot to politically exploit the So Kyong-won case.

The party would resist resolutely any moves of investigative authorities to summon party leader Kim Tae-chung and other key officials for questioning, a spokesman said.

Spokesman Yi Sang-su said the party firmly believes in the innocence of Rep. Yi Chol-yong, who returned to the party last night after being questioned by security officials about his alleged role in Son's unauthorized visit to north Korea.

"We are carefully watching moves of investigative officials," the spokesman said, adding the party is worried that the investigative authorities might seek an unjustifiable warrant to arrest Rep. Yi.

The party also urged the government to guarantee those arrested with regard to the So case free access to defense attorneys as provided by law.

"Fifteen days have passed since So's arrest. But he is still not allowed to consult with lawyers. Such a practice cannot be tolerated for any reasons," spokesman Yi said.

He said the So case should offer an occasion to eliminate illegal investigative practices and abuses of human rights.

"This week our party will focus on disclosing the government's plot to politically persecute us by using the So case," the spokesman said.

Government Advised To Respect Rights of Accused
SK1107021489 Seoul THE KOREA TIMES in English
11 Jul 89 p 6

[Editorial: "Crime of Reporting Failures"]

[Text] Public attention is now concentrated on how the government will cope with those knew of the illegal visit to Pyongyang of Rep. So Kyong-won but failed to report it to the authorities concerned. This dereliction of duty is in clear violation of the National Security Law under which delinquents may be punished with up to five years of penal servitude or a fine of not more than 2 million won. At present, some 10 people are under investigation or subject to probe in connection with the So case.

In other sectors of the law such as the Criminal Code, family members of those in direct line may be exempted from punishment or have their penalties reduced because of blood relationships. But there are no such provisions in the National Security Law, because of the nature of the anti-state crimes that are covered by the security act.

There may be some other reasons for the arrest of So's relatives and acquaintances. Among the reasons are the relay of operation funds from North Korean agents, safe-keeping or management of the funds, consultations or collaboration with So in his secret travel to the North. Of course, these actions would put a whole new complexion on the situation.

Potential controversy over the NSP [Agency for National Security Planning] investigation of the reporting derelicts burst into flame when the security agency attempted to whisk away Rep. Yi Chol-yong of the first opposition Party for Peace and Democracy [PPD] from airport terminals on charges of failing to report Rep. So's entry into the North last August. Yi flatly denied knowledge about it and party leadership joined him in denouncing the government for political suppression and an attempt

to undermine the largest opposition party. The PPD demanded the abolition of what it termed the vicious provision of the National Security Law.

The law provision had already come under severe fire in the context of the NSP's questioning of Stephen Cardinal Kim Su-hwan and a reporter of the progressive daily, HANGYORE SINMUN. Cardinal Kim expressed his readiness to comply with probes and to take due responsibility if his not notifying of So's Pyongyang visit constituted a crime. The HANGYORE reporter, meanwhile, was questioned in a hospital bed but defied the agency's summons.

From the viewpoint of positive law provisions, the security agency is fully authorized to accuse even these religious and journalistic figures, just as it has the persons who have already been arrested and are being investigated. Logically, there should be no discriminatory exercise of prosecutive and judiciary power, according to the social status of the subject people.

However, it seems that the investigation authorities may well execute the laws with some flexibility, in view of important functions and individual dignities of the persons concerned. The NSP needs to pay due respect to the cardinal, a spiritual leader of the two million Catholics in the country. As for the HANGYORE reporter, the protection of news sources is something which should be favorably considered.

The NSP interrogated Rep. Yi for 48 hours in a Seoul hotel, in an agreement with the PPD leadership, calling for his probe in a neutral place, neither NSP nor PPD headquarters during the two-day period set by the pertinent law as a witness, not as a suspect. [sentence as published] This has set a precedent for the NSP's flexible application of the security act within its discretionary power, in a gesture treating the member of the National Assembly with some politeness. But it is unpalatable that the agency took the soft-line action in the face of a strong counterattack from the opposition party.

The government's prudent treatment of the privileged should be also accorded to the ordinary populace in line with the principle of universality of the application of law. This is especially so under the circumstances that at the grassroot level, people can hardly discern the criminality of visits to Pyongyang by reputed personalities.

Pursuit of Reunification Policy Urged

SK0907075389 Seoul SEOUL SINMUN in Korean
6 Jul 89 p 2

[Editorial: "The Road to Reunification, Along Which We Should Steadfastly Move Forward"]

[Text] It is certain that the lawmaker So Kyong-won's visit to North Korea, college student Yim's secret tour of Pyongyang, and trips to North Korea by Rev Mun Ik-hwan and writer Hwang Sok-yong have created serious problems for

our sincere position and effort for North-South reconciliation and reunification, and caused our momentary bewilderment. This being the situation, what should we do now? The answer is clear. We must continue. Basically, the aforementioned incidents, which came about due to the reality of national division, were the products of the North Korean side's conspiracies and operations. They were simply happenings. Reunification is not something which can be achieved through conspiracy or operation. It is the aspiration of the nation, its imperative, and a task of the era.

A clergyman, a novelist, and an assemblyman have been to North Korea, and a woman college student is now traveling there. These incidents, strictly speaking, are clear evidence of our society's ideological confusions. North Korea is a place which has armed itself with the false and fictitious *chuche* idea, because it was difficult for North Korea to sustain itself with the obsolete ideology of classical communism. So, we will only become even more confused if we fall into fantasy with a sentimental reunification policy regarding it. Even at this moment, we see a naive woman student staggering amid the Pyongyang group, intoxicated by the narcotic called the *chuche* idea and by insane propaganda and agitation.

Of course, ripples created by the reckless visits to the North are not small. First, their acts have shrunken the discussion of reunification, created confusion against it, and split the people's opinion. They have amplified some radical group's fantastic discussion of reunification on the one hand and have, it can be said, turned around our open-door policy toward the North by exasperating those who have been passive about improving the North-South relations, on the other. However, we have reached the conclusion that we should keep a sense of balance to analyze the incidents in a coolheaded manner within the framework of our northern policy. The incidents were a little bit shocking and baffling. But they could never develop a crisis situation of broadening distrust in our society or shattering the base of our policy toward the North. Instead, the incidents have provided opportunities for our self-examination and progressive restructuring.

We ought to be mature and wise so that we may find an opportunity for becoming positive, and for developing under all sorts of negative circumstances. In a far-reaching point of view, those ingredients, which served as preconditions in working out the government's northern policy, are still there. There are no changes in the withering ideology of communism and in the reform and open-door policy of the communist bloc. China as well, despite a crisis such as the Tiananmen Square incident, is still desperately trying to adhere to the experimental capitalist line. The question is still North Korea. We must continue to even more actively try to bring it to the changing world.

After all those incidents, we should not continue to adhere to our stereotypical anticommunist line. At the same time, we should make it clear that we will not allow

any crude left-leaning or pro-communist phenomena. To defend our free democratic system, the subversive elements, which jeopardize the foundation of our state, must be removed. If necessary, we should hurry to reinforce or supplement the appropriate laws. There is no reason that we should become disturbed. Reunification will be achieved through national unity under the free system, which goes beyond ideology. If we steadfastly push ahead with our adopted policy through an even more coolheaded and rational judgment, time is on our side. We should resolutely move forward to national reconciliation and reunification.

Outlawed Teachers Union Holds Rally 9 July

University Professors Join Union

SK0607065489 Seoul *THE KOREA TIMES* in English
6 Jul 89 p 3

[Text] Ninety professors at 14 universities in Seoul, Incheon and Kyonggi-do announced in a press conference yesterday that they have formally joined the outlawed National Teachers Union despite the Education Ministry warning that unionized educators will face dismissal.

The professors affiliated with the Professors Council for Democracy said in a statement that they joined the unauthorized teachers union because they totally agree with the idea of "chamkyoyuk" (true education) espoused by the unionized primary and secondary school teachers.

The professors who joined the union yesterday include Kim Chin-kyon of Seoul National University, Oh Se-chol of Yonsei University and Chang Ul-pyong of Sungkyunkwan University. Prof. Kim is the co-chairman of the "national council of professors with progressive views."

In the statement, the professors demanded the government stop suppressing the teachers union, release its arrested members, revise education laws and legalize "Chonkyoyo," the teachers union.

The professors said that they will hold an executive council meeting today at Kyongpuk National University in Taegu to discuss countersteps against the ministry's hardline policy.

Noting that the number of university professors affiliated with Chonkyoyo totals as many as 450 nationwide, the dissident professors said that they will consider setting up a professors committee under the teachers union.

Meanwhile, the Education Ministry instructed universities across the nation to dissuade radical professors from joining the illegal union.

Presidents, deans and other school post-holding professors are reportedly trying to persuade Chonkyoyo-affiliated professors to bolt from the outlawed union.

School authorities at Kyongpuk National, Kyemyong, Yongnam, Hyosong Women's and Taegu universities made it clear that they will refer 70 professors who joined Chonkyoyo on June 22 to disciplinary committees unless they quit the teachers union.

Chonbuk National and Usok Universities in Chonju also advised the Chonkyoyo professors to withdraw from the teachers union.

Universities in other regions have also been alerted on possible professors' moves to join the unauthorized union.

Unionists Meet With RDP Leader

SK0807031689 Seoul *THE KOREA TIMES* in English
8 Jul 89 p 2

[From the "Press Pocket" column: "Restraint"]

[Text] Amid rising tension over the planned mass rally of teacher unionists Sunday and its avowed blocking by the authorities, three unionists met with RDP [Reunification Democratic Party] president Kim Yong-sam at party headquarters Thursday, asking him to recognize the teachers' right to strike.

The RDP leader, repeating the party line on the matter, made it clear that the party can never recognize the right to go on strike, but reminded them that a bill is under preparation that will allow teachers' right to unionize and bargain collectively.

Meanwhile, Rep. Kang Sam-chae, a member of the Culture-Information Committee of the National Assembly, reported to a high-level meeting yesterday that an estimated 20,000 teachers at 590 schools including 41 universities had joined the outlawed National Teachers' Union (NTU).

Kang said only 6,000 were, however, officially identified so far by the Education Ministry because school authorities had failed to report the exact number of teacher unionists for fear of possible punishment by the ministry.

He also revealed that serious strife is being seen between the members and non-members of the NTU, expressing fear that police and union members being put on a collision course will deal a "serious" blow to education circles.

No Tae-u Voices Strong Opposition

SK1007024489 Seoul YONHAP in English 0223 GMT
10 Jul 89

[Text] Seoul, July 10 (YONHAP)—President No Tae-u Monday reiterated his determination to continue employing harsh measures against attempts by teachers to have their union legalized.

"It is unreasonable for teachers to seek unionization, which is banned by the law and opposed by a majority of the people," No said in his Monday radio speech to the nation.

On Sunday, hundreds of teachers were detained by police while trying to hold a rally calling for people to support their bid to have their union legalized.

No voiced his strong opposition to teachers' unions, "should education become another arena for struggle, damage will be inflicted on the next generation. This will darken our future."

The task facing the country is to develop an education system able to cultivate men and women of ability to lead the country in the future, No said.

He said he would endeavor to solve the problems of rough working conditions and bureaucracy in schools.

Police Deploy Troops, Make Arrests

SK1007024889 Seoul YONHAP in English 0213 GMT
10 Jul 89

[Text] Seoul, July 10 (YONHAP)—Police Monday released 940 out of 1,931 teachers detained on Sunday [9 July] for trying to take part in a rally organized by the outlawed National Teachers Union.

More than 12,000 riot troops were deployed at a downtown park, the union's scheduled rally site, and other major inner-city locations to stop teachers and students from attending the rally.

Faced with the police blockade, more than 1,700 teachers and their families as well as students began a blitz rally on Yoido, an islet in the Han River flowing through the city.

Over 1,500 police stormed the island site, arresting more than 1,600 teachers and others and ending the rally just 20 minutes after it began.

Yi Pu-young, a 43-year-old Seoul high school teacher who is acting chairman of the union, fled after delivering a speech that denounced government suppression of the teachers union as a "distortion of the union's genuine purpose."

Scores of union leaders, including chairman Yun Young-kyu, have been arrested on charges of violating the state employees law. The law bans collective movements by government workers and teachers.

Members of the teachers union, which had hoped that more than 20,000 teachers and their families would attend the rally, staged scattered street demonstrations in groups of 100 to 200 at major downtown areas demanding the government recognize their union.

Some 300 demonstrators were detained by police during street protests.

Police said they will seek warrants for the arrest of all the rally and demonstration leaders but will free the rest of the people detained on Sunday.

At least 20 teachers and others were injured while being taken into custody by police troopers.

Leaders of the teachers union denounced as "illegal" the use of police violence to prevent a peaceful rally, which they had reported to the authorities in advance as required by the law.

Union leaders said they will ask the members of the 564 school branches Monday to vote on whether teachers will conduct hunger classes [as received] and resign en masse to protest the government action.

"The decision made in the vote will be put into action right away," a spokesman said.

Union Threatens Mass Resignations

SK1007075089 Seoul YONHAP in English 0716 GMT
10 Jul 89

[Text] Seoul, July 10 (YONHAP)—South Korea's outlawed teachers union said Monday its 20,000 members will resign their teaching posts en masse to protest the use of police force to disperse a peaceful rally over the weekend unless the government recognizes the union.

Union Chairman Yi Pu-yong said the teachers will resign simultaneously at an unspecified date and they will launch hunger strikes and sit-ins after class to protest the government's firing of union members from schools across the nation.

Yi, a 43-year-old high school teacher, also said the union will publish the names of its 20,000 members in newspaper advertisements to disprove government claims it has only 6,000 members.

A union statement on the Sunday rally, blocked when riot police arrested nearly 2,000 teachers, charged: "The government sealed off the gathering with force, disregarding our wish to champion the privilege of teaching, and we will fight for the privilege to the end."

The government has outlawed the union on the ground that current laws ban union movements by government officials.

The Education Ministry is scrutinizing members of the newly formed union for discriminatory lay offs before the fall semester begins in September.

Opposition parties called for a compromise between the union and the government to prevent the problem from snowballing into suspension of schools.

The Party for Peace and Democracy Monday criticized the "government's violent suppression of a peaceful rally Sunday" while calling on the teachers to solve the problem "through dialogue rather than resignations."

Kim Yong-sam, no. 2 opposition party leader, said, "Teachers should behave prudently and wait until the National Assembly rewrites relevant laws. On the other hand, the government should remember that they are teachers."

The New Democratic Republican Party said, "Teachers should realize their aspirations while respecting the laws, even though they are bad."

All three parties said teachers, like other workers, should have the right to organize and to negotiate. But they also said teachers should not have the right to strike.

PPD Denounces Police Blockage
SK1107022889 Seoul THE KOREA HERALD
in English 11 Jul 89 p 2

[From the "Out and About" column: "Union Supporters"]

[Text] The largest opposition PPD [Party for Peace and Democracy], denouncing the police's blockage of a teachers' trade union rally Sunday in Seoul, urged the government to stop repressing the union as an illegal organization.

Chief party spokesman Yi Sang-su said in a statement that the government should without delay accommodate the PPD's position and grant the teachers rights to unity and collective bargaining.

"While the teachers' trade union is virtually formed and existing as a real entity, the government continues physical repression of it," the statement read.

Party lawmaker Chong Tae-chol, who heads the National Assembly's Culture Education Committee, claimed that the latest popular poll showed a majority of the pollees supported the teachers' union movement.

Agreement Not Reached With EEC on Trade Issues
SK0807070789 Seoul THE KOREA HERALD
in English 8 Jul 89 p 6

[By correspondent Kim Hae-won]

[Text] Brussels—Korea and the EC again failed to reach an agreement on major pending trade issues including the protection of intellectual property rights in Korea but agreed to continue dialogue to settle the areas of friction during the first session of the Korea-EC high-level consultation Thursday.

The EC side's major concern was "balanced" treatment of EC products in Korea, compared with those from the United States, while the Korean side promised a gradual and continuous opening of the Korean market appropriate to its social and economic situations, according to a Korean delegate.

The EC delegates, led by Franz Andriessen, commissioner for external relations, filed a complaint that the list of 243 agricultural products whose import was liberalized by Korea in April failed to properly reflect the interest of the EC members.

The Korean side, headed by Foreign Minister Choe Ho-chung, in response, explained to them Korean economic structure, especially the fragile agricultural industry and its social implication.

The EC also Korea to stop dumping shipbuilding in foreign markets and stressed the importance of the cooperation of Japan, Korea and the EC countries for world shipbuilding development.

They appreciated Korea's liberalization of its whiskey market and asked to lower the custom duty rate for the Portuguese wine, now 100 percent.

The Korean and EC delegates agreed that Andriessen would visit Seoul by the end of this year to open the EC permanent mission in Seoul.

The second session of the consultations would be held the next morning, focusing on cooperation in the fields of communication and technology, to safeguard against Korean shoes in EC countries and the export of Korean cars.

EEC Commission Office To Open
SK0807080089 Seoul YONHAP in English 0640 GMT
8 Jul 89

[Text] Seoul, July 8 (OANA-YONHAP)—South Korea and the European Economic Community signed an agreement Friday to open an EEC commission office in Seoul.

The Foreign Ministry said Saturday the agreement also guarantees the privileges and immunity of EEC delegates in Korea and recognition of EEC-issued passports.

Under the agreement, signed in Brussels by Foreign Minister Choe Ho-chung and EEC Commissioner for External Relations Frans Andriessen, an EEC permanent delegation to Seoul will be opened by the end of this year.

The accord will strengthen economic ties between Korea and what will be the largest single market in the world when the EEC is unified in 1992, a ministry official said.

Korea established an EEC office in 1965 with the ambassador to Belgium concurrently accredited to the EEC, but the Korean presence was upgraded in April with an ambassador heading a permanent Korean mission in Brussels to take care of Korea-EC relations.

Before signing the agreement, Choe led the Korean delegation in the sixth session of Korea-EC high level consultations with Andriessen, the official said. The two made little progress.

Choe requested the EEC not to overuse a series of anti-dumping measures against Korean manufactured goods such as electronics and shoes.

Andriessen, on the other hand, pushed for the same tariff and non-tariff favors as the United States for EEC produce and intellectual property rights, while asking for an end to alleged dumping by Korean shipbuilders.

Korea and the EEC have become inseparable trade partners, but there has been a barrage of criticism over what the EEC sees as an ever-growing trade surplus in favor of Korea.

The trade surplus is rapidly slowing its growth rate. In the first four months of this year, it was only 193 million dollars, down 64.7 percent from the same period the previous year.

In 1988, Korea had a surplus of 2.085 billion dollars: exporting 8.132 billion dollars' worth of electronics and textiles and importing 6.047 billion dollars of machinery and chemicals, according to the Trade and Industry Ministry.

"The trade surplus started in 1983 and then grew rapidly, reaching 1.984 billion dollars in 1987, but in 1988 the surplus grew just 5 percent and this year growth is expected to drop further toward an even point," the official said.

Diplomatic Relations Established With Iraq
SK0907042289 Seoul THE KOREA HERALD in English 9 Jul 89 p 1

[Text] Korea and Iraq have agreed to establish diplomatic relations at the ambassadorial level as of today, the Foreign Ministry said yesterday.

The two countries also agreed to designate their present consuls-general in Baghdad and Seoul as charge d'affaires until they appoint their respective ambassadors, a ministry spokesman said.

The agreement was reached in Baghdad Sunday between Foreign Minister Choe Ho-chung and Tariq 'Aziz, Iraqi deputy premier and foreign minister.

Choe Says No Weapons Sold to Iran During War
SK1007135989 Seoul YONHAP in English 1311 GMT 10 Jul 89

[Text] Seoul, July 10 (YONHAP)—South Korean Foreign Minister Choe Ho-chung said Sunday that Korea never sold military weapons to Iran during the Iran-Iraq war, the Foreign Ministry said Monday.

"We have never sold or lent our weapons to Iran, and Korea's policy is not to supply any weaponry to the nations involved in international conflict," the ministry quoted Choe as saying in a joint press conference held in Baghdad with his Iraqi counterpart Tariq 'Aziz.

Choe was also quoted as saying that Korea supports peaceful settlements of any international troubles, whether in the Persian Gulf or around the Korean peninsula.

'Aziz expressed hopes that Korea will participate in Iraq's postwar reconstruction projects and that the cooperations between the two countries will be expanded further to cultural, technical and scientific fields, a ministry official said.

Earlier in the day, Minister Choe paid a courtesy call on Iraqi President Saddam Husayn to deliver Korean President No Tae-u's personal letter.

He also met with Iraqi Deputy Prime Minister Taha Yasin Ramadan to exchange views on various matters of common concern to Seoul and Baghdad.

Iran's Aqazadeh Meets With Construction Minister
SK0507082989 Seoul YONHAP in English 0623 GMT 5 Jul 89

[Text] Seoul, July 5 (YONHAP)—South Korean Construction Minister Pak Song met with Iranian Oil Minister Gholam Reza Aqazadeh Tuesday to discuss Korean firms' participation in reconstruction projects in Iran.

Meeting over lunch, Pak expressed Korea's willingness to participate in Iran's postwar rebuilding and other construction programs and to open flights between Seoul and Tehran, a source at the Construction Ministry said.

Aqazadeh, here on a six-day official visit, expressed his hope that Korean firms will actively participate in the projects.

He told Pak that Iran plans to place orders for a large offshore oil platform and a chemical industry complex near Tehran.

In separate talks with Hong Sun-kil, president of the Overseas Construction Association of Korea, Aqazadeh called for Korean firms to actively submit tenders invited by the Iranian Government, the source said.

Korean firms have received orders worth 1.3 billion U.S. dollars from Iran since 1975.

Korea is bidding on nine Iranian projects worth 670 million dollars, including reconstructing an oil storage facility on Kharg Island, the source said.

Aqazadeh and his 14-man entourage are the first Iranians to visit Korea since relations were upgraded to ambassadorial level last month.

The two nations opened diplomatic relations in 1962, but they were downgraded to charge d'affaires level in 1981 when Tehran, angered by Korea's establishment of a consular mission in Iraq, requested the Korean ambassador to leave.

Discusses Projects for ROK Firms

SK0607092289 Seoul YONHAP in English 0827 GMT
6 Jul 89

[Text] Seoul, July 6 (YONHAP)—Visiting Iranian Oil Minister Gholam Reza Aqazadeh said Thursday he hopes to have annual ministerial meetings between Iran and South Korea to improve mutual cooperation.

After talks with Korean Energy and Resources Minister Yi Pong-su, Aqazadeh told reporters that he wants to invite Yi to meet him in Iran to resume the Korea-Iran Joint Commission at the ministerial level.

He said he confirmed in meetings with Deputy Prime Minister Cho Sun and Construction Minister Pak Song that there are no obstacles to improving mutual cooperation.

Aqazadeh said he almost agreed on various projects with Korean firms—on ordering an oil tanker from Hyundai, establishing a joint-venture petrochemical firm with Daelim, setting up a construction equipment joint venture with Shinwha and joining a petrochemical project with Sunkyoung.

Earlier in the day, Aqazadeh and Yi exchanged views on the global energy situation and discussed ways to promote energy and economic cooperation between the two nations.

Yi said joint efforts by oil producing and consuming countries are essential for stabilizing oil prices as wild fluctuations are undesirable for both sides.

Aqazadeh said it is necessary to establish an oil pricing system which can satisfy both producer and consumer nations.

He also expressed gratitude to the Korean construction firms doing business in Iran—Ssangyong, Daewoo, Daelim and Shinwha—for their "excellent" achievements.

Yi promised to actively support Korean construction firms' participation in Iranian postwar reconstruction projects.

Aqazadeh arrived here Monday for a six-day visit as head of a 15-member delegation.

Burma

3 Killed in Rangoon City Hall Explosion

BK1007143989 Rangoon Domestic Service in Burmese
1330 GMT 10 Jul 89

[Text] Explosives planted by unscrupulous people near the elevator by the main entrance of the Yangon [Rangoon] City Hall in the capital of Yangon, detonated at about 1550 today. Three innocent civilians were killed and four others were wounded.

At about 1550 today, explosives planted by unscrupulous people detonated when U Nyein, a supervisor of the City Development Planning Department, opened a wooden cabinet used by the workers near the entrance of the workers recreation room, in front of the elevator at the main entrance of the city hall.

The three innocent people killed were: Supervisor U Nyein, 50, son of U Pho Kyai, of No 5 Barr Street; sweeper U Hla Tun, 30, of Line No 3, Botataung municipal plant compound, son of U Theikdi; and Gon Gon, alias Saw Pe, 12, son of U Maung Myint of the Botataung municipal plant compound.

The four people injured were: Police Inspector U Thein Nyunt, identification number La/66436, of the (?divisional Office), People's Police Force; Maung Aye Min, 24, messenger of Yangon Division Immigration and Manpower Department and son of U Than Aung of No 53, Mantin Street, 29th Ward, Thuwanna Township; municipal workers Ma Jamillabi, 39, daughter of U Shra Nyamarolla of No. 420, Anawmar 10th Street, No 1 Ward, Thaketa Township; and municipal worker Ma Choti, 23, daughter of U No Het of Room No 10, Line No 1 of Botataung municipal plant compound.

As soon as the news of the explosion was heard, responsible officials took the injured to the People's General Hospital. Urgent investigations are being conducted to expose the unscrupulous elements.

Paper Questions 'Ethics' of Some Diplomats

BK1007033089 Rangoon WORKING PEOPLE'S DAILY
in English 29 Jun 89 p 6

[Editorial: "Matter Concerning Attendance of Diplomatic Staff at Political Party Press Conferences"]

[Text] Personnel of certain foreign embassies are reported to be attending press conferences held by political parties of the Union of Myanmar [Burma]. We have nothing against their attendance and gathering news if they have obtained permission from the authorities to do so. However, it will be most improper if they are attending and gathering news to distribute to the news agencies.

The matter was raised at the 45th Press Conference held last week by the State Law and Order Restoration Council Information Committee. Journalists representing foreign news agencies replied that they noticed embassy staff attending press conferences held by political parties and taking part in the discussions. They added that since those personnel are embassy staff they are not concerned with newspaper work and by the same token, foreign correspondents of certain news agencies are not responsible for feeding information to the embassy concerned.

If they do attend the press conferences, it is learnt, embassy staff have no right to ask questions. They are just observers. However, they are reported to be raising leading questions as well. Political parties are said to have allowed them to do so. The members of the embassy staff themselves will know better than anyone else if the information gathered at the press conferences is distributed to foreign news agencies or not.

The gathering and distribution of news to the media is the task of the accredited stringers and correspondents and certainly not of the any of the staff of diplomatic missions particularly if it concerns the internal affairs of our country.

The Government on its part has been following the policy of independent and active foreign policy and accordingly, it is desirous of maintaining friendly relations with all countries far and near. It spares no effort for achieving the objective. And continued friendship and mutual interests can only be brought about when staff of foreign embassies in the country abide by the rules and observe diplomatic ethics.

Paper Accuses U.S. Congressmen of Interfering

BK1007040089 Rangoon WORKING PEOPLE'S DAILY
in English 4 Jul 89 pp 6, 7, 11

[Article by Mya Win: "Interference in Myanmar Internal Affairs"]

[Text] On the morning of 30 June I heard the broadcast in the Myanmar [Burmese language] programme of the VOA of the news that some politicians of the United States of America are making efforts to provide monetary aid to those who are in armed insurrection in Myanmar [Burma]. According to the news item, Republican member of the House of Representatives Dana Rohrabacher submitted the proposal in the House for the allotment of two million dollars to absconding students in Myanmar from the annual foreign aid funds of the USA and this was confirmed by the House of Representatives. This aid could be carried out only with the approval of the Senate but as the majority of members of the Senate are still against the proposal the matter is still pending. The broadcast added that the proposal was made by Republican member of the House of Representatives Dana Rohrabacher who last year visited the Thai border area to meet some students who were

with insurgents fighting against the Myanmar government. It has been said in a news article that Rohrabacher at that time entered Myanmar territory illegally. Regarding that article a spokesman of the US Embassy in Bangkok, Ross Petzing, said Rohrabacher had held a press conference at the Regent Hotel in 1988 on the evening of the 16th of November and immediately left the place and that his activities in Thailand were not known to them and that there was no relationship with the embassy. He also added that Rohrabacher's visit was not an official one. What the spokesman meant to say was that there was interference in the internal affairs of another country and that it had nothing to do with the US government. According to international practice having contacts with the insurgents of a country is a contravention of international rules and that was why a denial was made. Regarding this news item, Rohrabacher is the main figure and is a danger to Myanmar and his actions are contrary to the rules of international practice so this article is being written for the people after consultation with persons concerned.

The person concerned showed some papers and pamphlets of the Committee for Restoration of Democracy in Burma (CRDB). The CRDB, he explained, was formed by members of the expatriate group who after the group broke up fled to America; the founders of CRDB are Tin Maung Win, Ye Kyaw Thu and others, all former insurgents. They joined the NDF [National Democratic Front] made up of KNU [Karen National Union] insurgents and KIA [Kachin Independence Army] insurgents and formed the Democratic Alliance of Burma (DAB), an alliance of armed insurgents according to the papers. This insurgent organizations is headed by KNU insurgent leader Nga Mya [Bo Mya] as chairman with KIA insurgent Brang Seng as first vice-chairman and Tin Maung Win as secretary.

The CRDB bulletin Vol I No I dated January and March 1989 published in the US showed a photograph of former expatriate insurgent U Tin Maung Win together with Tom Malinowski, assistant of US Senator Patrick Moynihan and another photo of Tin Maung Win with Michael Maran Jala 'special assistant' to KIA insurgent leader Brang Seng, in the USA together with some US politicians, a signed declaration of US Congressman Rohrabacher urging for support of the DAB alliance between KNU insurgents, KIA insurgents and the CRDB and the declaration by Senator Patrick Moynihan supporting the demands made by insurgents who are in armed insurrection against Myanmar. The revelation made by the person concerned shows that there is absolutely no reason to doubt US Congressman Rohrabacher is deeply involved with the armed insurgents. Dana Rohrabacher's declaration signed on March 24 supported and praised the DAB, designated the Myanmar Government as villain and demanded full US support for DAB headed by armed KNU insurgent leader Nga Mya.

In supporting and aiding the armed insurgents in Myanmar, fullest possible exploitation is being made in the

name of the so-called "students" who ostensibly have had to abscond. The activity of the KNU and KIA insurgents to "show off the monkey to get rice" have been revealed many times by the students themselves who have returned. The CRDB in order to get aid from the USA has also formed numerous sub-groups including committees for refugees and for human rights. An umbrella organization for all the groups dubbed the "Foundation for Democracy in Burma" was formed to procure funds from all possible sources.

The news item broadcast by the VOA said that the proposal by Congressman Rohrabacher to the Congress for aid was in reference to "displaced persons" of Myanmar who are in trouble and in human consideration for Myanmar students who fled when the Tatmadaw [Defense Forces] took over power last September. It is meaningless to use the word "displaced persons" for the students. As is known to the people the student youths fled to the border area because of instigation by unscrupulous elements and have been aided to return safely to their parents and more than 3,000 have done so. The reception centres are still kept open and the programme is still in force.

So, anybody who sincerely comes back to Myanmar Naing-Ngan cannot get in trouble. Those who wish to return cannot get in trouble. Those who wish to return can do so safely and only those who committed crimes and those who are withheld by the insurgents are left.

At the present time in the border area there are those who wish to join the KNU insurgents according to the latter's rules, those who wish to stand independently and those who wish to return to the country. Those who wish to return have done so through various ways and means.

Those who wish to stand independently are few in numbers and are in small groups. Students of the All Burma Students' Democratic Front (ABSDF) who joined in with the KNU were formed into 11 battalions and many of them eventually ran away leaving only about 30 to 40 in a battalion, and the entire strength of all the battalions remain only about 350. Of the groups which desired to stand independently the group led by a former top leader of the ABSDF Maung Maung Kyaw, the Overseas Democratic Burma Student Front (ODBSF), originally of a few members, had only six including Maung Maung Kyaw; they all have returned to the Tatmadaw at Mae Sot, reporting the group does not exist any more. According to Maung Maung Kyaw they could no more stand by themselves and have seen the light and returned.

So the word "displaced persons" for the students is not at all appropriate and it is obvious that as a pretext for helping the students, aid is sought for the DAB insurgent elements led by the KNU, KIA and CRDB. It is evident that attempts are being made to revive the KIA which is on the verge of extinction.

Not long ago US Senator Moynihan was observed seeking aid for insurgents and to enable them to stand as political organizations. Now his colleagues can be seen seeking monetary aid for insurgents.

To give assistance to insurgents along the border would be impossible without the help of the other country [Thailand]. Assistance for refugees along the border of the other country and Kampuchea was also given with the help of the other country. Our country does not accept that there are refugees under the above categories. There are only insurgents and absconders from justice along the border. The condition is not the same as that of the Kampuchean border. The Kampuchean affairs is the result of wars between nations. What is happening in Myanmar is the result of internal insurgency and is an internal affair. It is not a matter of foreign troops entering the country and fighting but of armed activities of insurgents.

Foreign interference in Myanmar affairs is interference in our internal affairs and contravenes conventions of international relationship. While this article is being written on 1 July 1989 morning the BBC broadcast that students were gradually returning from the border but that there were hundreds left, the majority of which had joined the KNU insurgents and so there were no more who could be called students. As a matter of fact there were almost no more students who are standing on their own. This fact will be revealed by student leaders like Maung Maung Kyaw who have returned as witnesses. According to news received from the border area the number of students who have actually joined the KNU insurgents is only about 850.

The United States of America instead of helping the Government which is building a multi-party democracy system is attempting to aid the DAB which is leading the KNU, the KIA and the CRDB which are hindering the emergence of multi-party democracy is interfering in our internal affairs and what is more, obstructing the work to set up a multi-party democracy, contrary to the basic principle of the United States of America to support democracy. Similarly, the fact that US politicians receive and do honour to representatives of the KIA who deal in narcotic drugs, is contrary to the basic principles of the United States of America which oppose narcotic drugs. By cutting aid to the Myanmar government which has been undertaking anti-drug work continuously and to give aid to drug trafficking insurgents in the DAB group amounts to abandonment and renunciation of the basic principles of the Government of the United States of America.

Brunei, Malaysia & Singapore

Malaysia

Government Rejects New Political Coalition

БК1107105189 Kuala Lumpur BERNAMA in English
1023 GMT 11 Jul 89

[Text] Kuala Lumpur, July 11 (OANA-BERNAMA)—The Malaysian Government has denied registration of a

coalition of three political groups opposed to Prime Minister Dr Mahathir Mohamed's administration.

Deputy Home Affairs Minister Megat Junid Megat Ayub said Monday [10 July] the proposed APU (Muslim Solidarity Movement) did not meet a condition set by law that a coalition should comprise at least seven political parties.

APU was formed by the main Muslim opposition party PAS [Pan-Malaysian Islamic Party], the small Berjasa [United Islamic Front of Malaysia] Party which had recently quit Mahathir's 13-party ruling National Front coalition, and the unregistered political group led by former Cabinet Minister Tengku Razaleigh Hamzah who had narrowly failed to unseat Mahathir in party elections in April 1987.

Megat Junid told reporters the government would consider a fresh application from APU if the condition was met.

Singapore

Measured Response to Tiananmen Square Urged

БК1007142389 Singapore THE STRAITS TIMES
in English 8 Jul 89 p 24

[Editorial: "Responding to China"]

[Text] When a giant, largely friendly, country commits a crime against humanity, it is a complex matter for the international community to decide on the appropriate response. First, it is only legitimate and natural for any responsible government to take into account the country's economic and political interests. Then the reaction must be sufficiently tempered so as not to be misconstrued as amounting to an interference with the offending country's domestic affairs. And the response must not force that country into a corner and trigger its innate defence mechanism. In short, the response should be one of unequivocal condemnation, yet sufficiently constructive as to assist in the country's rehabilitation in the longer term. This is the objective the international community should aim for in the aftermath of the heinous massacre in Tiananmen Square.

Since that fateful day of June 4, we have unreservedly condemned the Chinese government for killing its defenceless citizens. We have criticised Beijing's ill-disguised attempt to fool its own people by unashamedly waging a campaign of lies. We have also urged caution on economic sanctions against China, arguing that such an action should only be taken with very specific aims in mind. More than a month has now passed since unarmed students and other civilians were massacred in Beijing. That an authoritative government has chosen to silence legitimate demands for reform by shooting the *creme de la creme* of its people has not and will not be forgotten. Journalists, as instant historians, have painfully documented the gruesome killings and suppression, which will form part of the

many historical lessons to be learnt by posterity. Meanwhile, the international community should focus its attention on China's reshuffled leadership and the future directions the country is likely to take.

The response of the world's civilised countries must now aim at achieving four objectives. First, the damage done by the Chinese government to the country's decade-long economic modernisation and reform programmes must be minimised. If indeed the Li Peng government is intent on continuing with the open-door policy, it should be helped to do so. Second, amid the continuing leadership struggle inside Zhongnanhai, the international community should not take any action that could undermine the position of the few reformists left in the party leadership. Cutting off credit lines to modernisation programmes, for instance, may strengthen the power of the conservatives against the reformists. Third, nothing should be done to rekindle the revolution fervour fashionable in the decades before 1976, particularly the Maoist version China attempted to export in the 1950s and 1960s. Finally, if China is pushed into a complete withdrawal from the international community, it is bound to become a destabilising factor in the region. This last point was underlined by ASEAN and its dialogue partners when they met in Bandar Seri Begawan on Thursday.

The Chinese government has now made it clear that while it intends to continue with economic reform, the kind of political reform demanded by the students is a strictly no-go area. Announcements are also beginning to be made of Beijing's declared intention to crack down on corruption and nepotism, which were the initial demands of the students amassed in Tiananmen Square. Only time will tell whether the Chinese government is really interested in continuing with economic modernisation and whether that can be possible without political reform. The international community must now watch the Chinese government carefully and should be mindful to minimise the conservative backlash which manifested itself after June 4.

Cambodia

17th National Assembly Session Opens

BK1107122089 Phnom Penh SPK in English 1051 GMT
11 Jul 89

[Text] Phnom Penh SPK July 11—The 17th Session of the First National Assembly [NA] of the State of Cambodia was opened here this morning in the presence of NA Chairman Chea Sim.

Present at the session were Heng Samrin, general secretary of the People's Revolutionary Party of Kampuchea [PRPK] Central Committee and president of the State Council of Cambodia; Hun Sen, Politburo member of the PRPK Central Committee, chairman of the Council of Ministers and minister for foreign affairs; and other deputies to the National Assembly.

Mr. and Mrs. Pung Pengcheng, Overseas Khmer in France; Chhang Song, minister of information of the former Lon Nol regime and now chairman of the "Samakom Khemararak Sangkruos" Association of Khmer residents in the United States; and members of the diplomatic corps in Phnom Penh attended.

In his opening speech, Chairman Chea Sim said: Our session will discuss a number of important issues relating to vital interests of our state and society. We will not only hear and analyze reports but work out measures to solve outstanding problems, study and promulgate a number of laws. We will also examine reports of the Council of Ministers on the implementation of the socioeconomic plan and on the budgetary and financial situation in the first half of this year and define the orientation and tasks for the second half of 1989.

Chairman Chea Sim said that this session, in the light of Article 48 of our Constitution, is being held to deal with two crucial problems, namely the organization of the state bodies and our country's external affairs.

Reports Presented

BK1107121289 Phnom Penh Domestic Service
in Cambodian 1100 GMT 11 Jul 89

[Text] The 17th Session of the First National Assembly carried out its work actively and busily on the afternoon of 11 July.

All National Assembly members attentively listened to an explanation of the Economic, Planning, and Budgetary Commission read by Comrade Men Chhan; an explanation of the Nationalities Commission read by Comrade Kham Len; a report on the work activities of the People's Supreme Court read by Comrade Khang Sarin; a report on work activities of the attorney general attached to the People's Supreme Court read by Comrade Chan Min; a report on the implementation of the economic and social plans in the first 6 months and targets for implementation in the last 6 months of 1989 read by Comrade Chea Chanto; a report on the implementation of the financial and state budget tasks in the first half of the year and the targets for the second half of 1989 and on the amendment of the state budget for 1989 read by Comrade Chhay Than.

The 17th Session of the First National Assembly, first legislature, adjourned at 1700 [1000 GMT] and will resume its work tomorrow morning.

PRACHEACHON Criticizes ASEAN Statement

BK1007090189 Phnom Penh Domestic Service
in Cambodian 1300 GMT 9 Jul 89

[PRACHEACHON commentary: "A Useless Effort"—date not given]

[Text] Recently, at the 22d annual conference of their foreign ministers in Brunei—which had the Cambodian problem as the main item on the agenda for discussion—

the ASEAN countries issued a statement stressing the so-called necessity for a comprehensive political solution to the Cambodian problem. Through this statement, the ASEAN countries also recognized the fact that the State of Cambodia's and the SRV's decision to withdraw all Vietnamese troops from Cambodia by September is an act of progress. However, they did not mention plans to stop providing military aid to the opposing Cambodian parties and to prevent the genocidal Pol Pot clique from returning to power in Cambodia. Furthermore, they demanded the establishment of a provisional four-party government in Cambodia on the basis of equal sharing of power with the Khmer Rouge-Pol Pot before the talks among Comrade Chairman of the Council of Ministers Hun Sen, Sihanouk, and other Cambodian parties. They also demanded that the forthcoming international conference on Cambodia solve Cambodia's internal affairs and dispatch an international peacekeeping force to Cambodia.

All this is a futile effort by the ASEAN countries, because it is an act aimed at deliberately destroying the results of the essential agreements reached at the first and second Jakarta informal meetings—results which the ASEAN countries themselves have acknowledged. This kind of effort will certainly bring instability to Cambodia, and it runs against the common tendency of the era and the common aspirations of peace-loving people in the region. All the measures on the Cambodian problem put forward by the ASEAN countries at their recent annual conference are outdated plans coming from the maneuvers of some leading circles within ASEAN that want to defend and create conditions for the genocidal Pol Pot regime to expand the civil war in Cambodia and to return to power again following the complete withdrawal of all Vietnamese troops from Cambodia.

It is worth noting that for the past more than 10 years in the search for a political solution to the Cambodian problem, when foreign countries interfere in Cambodia's internal affairs and violate the Cambodian people's right to self-determination there is no time left for solving the Cambodian problem. This only brings a deadlock and the destruction of peace and stability in Southeast Asia. Now, as in the future, we demand that every decision on the Cambodian problem be made in accordance with the spirit of the results achieved at the first and second Jakarta informal meetings and the fourth meeting between Comrade Chairman Hun Sen and Samdech Sihanouk in Jakarta. Otherwise, all efforts by concerned countries will be useless.

Ranariddh Says Resistance Needs U.S. Aid

BK1007144289 Hong Kong AFP in English 1428 GMT 10 Jul 89

[Excerpts] Bangkok, July 10 (AFP)—A top Cambodian resistance leader said Monday that a lack of military aid from the United States to non-communist guerrillas might lead to an eventual alliance between the Khmer Rouge and Phnom Penh government.

Prince Norodom Ranariddh, the son of Prince Norodom Sihanouk and commander of his guerrilla forces, said in "an open letter to Cambodians in the United States" released here that the non-communist resistance needed the military aid to face "a possible challenge from both Hun Sen and Pol Pot forces." [passage omitted]

Reacting to "some Khmer patriots living abroad" who have opposed U.S. military aid to the two non-communist factions, Prince Ranariddh said the absence of such assistance would result in "pushing" Phnom Penh and the Khmer Rouge toward an alliance.

Washington has already given humanitarian assistance to the non-communist guerrillas, but the Bush administration is now considering extending lethal aid to their forces as well.

Prince Ranariddh said U.S. military aid was also needed to "strengthen our bargaining position" in upcoming negotiations to reach a settlement ending the conflict.

The warring Cambodian factions are scheduled to hold discussions in Paris on July 24 less than a week before the start of an international conference on Cambodia also set for the French capital.

Sihanouk Seeks 'Institutionalization' of Talks

AU1107120689 Paris AFP in English 1156 GMT 11 Jul 89

[Text] Paris, July 11 (AFP)—Prince Norodom Sihanouk asked President Francois Mitterrand Tuesday for the "institutionalisation" of the Paris conference on Cambodia, to turn it into a semi-permanent forum.

The international conference is due to open here July 30, the prince said.

During talks with French Foreign Minister Roland Dumas, late Monday, Prince Sihanouk, who heads the tripartite coalition opposed to the Vietnamese-backed Phnom Penh government, suggested that regular talks on Cambodia could be held in Paris.

At his meeting with President Mitterrand, he asked France to be the permanent host of talks on Cambodia, as was the case with the Paris conference on Vietnam.

Prince Sihanouk said he would be present at all the conference talks, but that his son, Norodom Rannariddh, would lead the resistance delegation.

China will be "very cooperative", he predicted.

France called the international conference, which begins on July 30, at the request of Prince Sihanouk, after Vietnam announced it would pull out its troops from Cambodia on September 30.

The conference will be preceded by a meeting between Prince Sihanouk and Cambodian premier Hun Sen on July 24 and round table talks between the four Cambodian factions.

Sihanouk Interview With French Paper Cited
BK1107052089 (Clandestine) Voice of the National Army
of Democratic Kampuchea in Cambodian 2315 GMT
10 Jul 89

[“Excerpt of written interview with Samdech Norodom Sihanouk by (Remy Favere), representative of the French paper, DIMANCHE;” date not given—presented as questions and answers read by the announcer]

[Text] [Question] How does the samdech assess prospects for the international conference [on Cambodia] and its preparatory meeting?

[Answer] The 24 July 1989 meeting between Hun Sen and Samdech Norodom Sihanouk and the meeting of the four Cambodian parties on 25 July 1989 will certainly fail because the stance of serving the Vietnamese colonialists and the communist Viet Minh stance of the party represented by Hun Sen are far from the patriotic position of Cambodia's national resistance forces.

As for the international conference to be organized in Paris in August 1989, we hope that the sagacity, farsightedness, impartiality, and efforts of French President Francois Mitterrand and Foreign Minister of the French Republic Roland Dumas, who is conference chairman, will help achieve some progress in the search for a just solution to the problem called the Cambodian problem. It is obvious that solving the Cambodian problem completely cannot be done in one month. It is worth considering convening this major international conference again in Paris toward the end of 1989 following the UN General Assembly debate and vote on the Cambodian problem in October or early November 1989. This way, gradually, we will move toward the comprehensive solution that all of us really want.

[Question] What are the main obstacles?

[Answer] At the first and second informal meetings in Jakarta, both Indonesian Foreign Minister Ali Alatas and his Vietnamese counterpart, Nguyen Co Thach, stated that all those attending the meeting reached a consensus and agreement on the process to solve the Cambodian problem. In fact, the agreement was only between Ali Alatas, who was chairman of both meetings; Nguyen Co Thach, representative of the Vietnamese aggressors; and Hun Sen, representative of the Phnom Penh regime created by the Vietnamese communists and colonialists. The Cambodian nationalist resistance forces clearly protested this consensus, which did not

solve the issue of Vietnam's aggression in and occupation of Cambodia, imposition of a colonialist yoke on Cambodia, and Vietnamization of Cambodia with the collaboration of the traitorous clique in Phnom Penh.

At the end of September 1989, even if the SRV withdraws its 70,000 regular troops from Cambodia, there will still be 30,000 Vietnamese soldiers disguised as Cambodian troops of the puppet Hun Sen, 100,000 as militiamen in provinces, and about a million Vietnamese nationals who have illegally settled in Cambodia since 1979 and plundered Cambodian territory and natural resources. In a word, this is the Vietnamization of Cambodia. Cambodia's national resistance forces absolutely will not allow Vietnam to behave this way and are determined to fight to the end against all remaining Vietnamese colonialists.

2. [number as heard; no preceding number one] The so-called withdrawal of 70,000 Vietnamese troops at the end of September cannot be supervised because the SRV regime does not accept UN supervision while the Cambodian national resistance forces demand that the United Nations and the UN Security Council assume this supervisory task.

3. Cambodia's national resistance forces proposed the establishment of a four-party government and a four-party army after 30 September 1989. However, Hun Sen rejected this proposal and, with full SRV support, demanded that the regime, the so-called government, administration, and communist Cambodian troops—puppets of Hanoi and Moscow—be maintained until the time of elections. Cambodia's national resistance forces have demanded dissolution of the Hun Sen regime at the same time as the State of Democratic Kampuchea—this state is even a member of the United Nations. This is to enable the elections to be genuinely free and democratic so that the Cambodian people can decide their destiny themselves. Hun Sen and Vietnam rejected this reasonable, just, appropriate, and unbiased proposal of Cambodia's national resistance forces.

4. The SRV demands that the United Nations expel the State of Democratic Kampuchea, a sovereign state and a member of the United Nations with full rights since 17 April 1975, and a victim of the SRV's aggression. In this situation, you can see the obstacles blocking a solution to the so-called Cambodian problem.

[Question] In your opinion, what were the things that Nguyen Co Thach did wrong?

[Answer] Nguyen Co Thach was arrogant and insolent not only toward the Cambodian nationalists, including myself. He is also the symbol of communist Vietnam being ungrateful to Samdech Norodom Sihanouk and the Cambodian people, who helped the Vietcong and North Vietnam greatly when Vietnam was fighting the United States in the sixties and the seventies to achieve victory and national reunification. Nguyen Co Thach is

also a symbol of Vietnam's tricky nature, deceiving world opinion, governments, and reporters into believing Vietnam is a savior of the Cambodian people and Cambodia's liberator and that Cambodia's national resistance are murderers. Nguyen Co Thach represents Ho Chi Minh's imperialist doctrine aimed at making Laos and Cambodia communist countries, imposing the colonialist yoke on these two weak neighboring countries, and including them in the Indochinese federation with Vietnam as master and Laos and Cambodia as slaves.

Secret Meeting Reportedly Held in Phnom Penh
BK1107021589 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 10 Jul 89

["Secret Information on the Situation and Activities of the Vietnamese and Puppets"]

[Excerpt] Recently, our clandestine sources in Phnom Penh and patriotic people and Cambodian soldiers there reported to the Supreme Command of our National Army of Democratic Kampuchea that on 3 May 1989 at 1430, a secret meeting was held in Phnom Penh between the Hanoi Vietnamese aggressors and Vietnam's puppet leaders in Phnom Penh to discuss hiding Vietnamese aggressor troops in Cambodia following the announcement that Vietnam will withdraw its troops from Cambodia at the end of September this year.

According to our clandestine sources' reports, this meeting was held in the National Assembly hall and lasted from 1430 on 3 May 1989 to 1600 on 4 May 1989. Taking part in the secret meeting were:

1. Heng Samrin, puppet president;
2. Chea Sim, puppet National Assembly Chairman;
3. Tie Banh, puppet national defense Minister;
4. Chan Ven;
5. (Prum Din), puppet regional commander;
6. Chheng Phon, puppet chief of propaganda, culture, and information;
7. (Prum Visai), puppet chief of Battambang Province;
8. Mun Sari, puppet chief of Koh Kong Province; and
9. Thong Chan and a number of other puppet cadres.

At this secret meeting, the Hanoi Vietnamese aggressors and the Phnom Penh puppets decided to continue hiding Vietnamese troops along the Cambodian-Thai border after 30 September 1989, the date which the Hanoi Vietnamese have set for their fake complete troop pullout from Cambodia. They have decided to hide 5,000 Vietnamese troops in Koh Kong Province; 8,000 in Battambang Province; 1,000 in Siem Reap Province; 500 in Takeo Province; and 2,000 in Kompong Som. According to the plans adopted at this meeting, all these Vietnamese troops, who will be hiding in Cambodia for a long time, will wear puppet uniforms. They will be included into units of the puppet forces and organized into independent Vietnamese units with new unit numbers and disguised as units of the puppet forces. [passage omitted]

VODK Insists on Four-Party Coalition Government
BK0307020289 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 2 Jul 89

[Station commentary: "Setting Up an Equal Four-Party Coalition Government Headed by Samdech Norodom Sihanouk Is the Best Way To Solve the Cambodian Problem Politically and Definitively"]

[Text] Increasing numbers of peace- and justice-loving countries have expressed the view that the setting-up of an equal four-party provisional government headed by Samdech Norodom Sihanouk is the best way to solve the Cambodian problem politically so that Cambodia has genuine peace, security, and stability which would benefit peace and stability in Southeast Asia and the Asia-Pacific region.

To achieve this kind of solution, Hanoi should completely pull out of Cambodia and stop being involved in the country by:

1. Withdrawing all Vietnamese military and civilian aggressor troops and forces—both disguised forces hidden among the puppet forces' units, militia forces, and among civilian Cambodians and the undisguised forces—and all weapons, ammunition, and war material from Cambodia under the supervision of the UN Control Commission.
2. Simultaneously dissolving both the puppet regime, propped up by the guns of over 250,000 Vietnamese aggressor troops at the beginning of 1979, and the State of Democratic Kampuchea, which is a legitimate state, in order to set up a four-party coalition government headed by Samdech Norodom Sihanouk.

Without the above-mentioned genuine Vietnamese troop pullout and the dissolution of the puppet regime, the Cambodian problem certainly cannot be really resolved because the Vietnamese troops and forces hidden in the puppet regime will continue to carry out activities to foment civil war to destroy the lives and national resources of the Cambodian people and nation. Therefore, Cambodia will not have genuine peace, security, and stability; and Southeast Asia too will not enjoy peace and stability. Thus, any talks to resolve the Cambodian problem should address these issues: the genuine withdrawal of Vietnamese troops from Cambodia under the supervision of the UN control commission, the dissolution of the puppet regime, and the setting up of a four-party provisional government headed by Samdech Norodom Sihanouk.

Only when these issues are resolved can genuine peace, security, and stability be restored in Cambodia as well as in the entire region.

Vietnam's Rejection of ASEAN Statement Criticized
BK0907042089 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 8 Jul 89

[Article: "Why Must the Hanoi Authorities Become so Enraged Regarding the ASEAN Statement Calling for a Comprehensive Political Settlement of the Cambodian Problem?"]

[Text] After the ASEAN foreign ministers issued a joint statement calling for a comprehensive political settlement of the Cambodian problem, the Hanoi authorities became very angry. They said that this statement interfered in Cambodia's internal affairs and would only lead to an impasse in the political settlement of the Cambodian problem.

On 3 July, the six ASEAN foreign ministers issued a statement stressing that the Cambodian problem, both its internal and external aspects, must be resolved comprehensively and that the planned withdrawal of Vietnamese troops from Cambodia must be carried out under the effective supervision of an international control mechanism under UN auspices.

This joint statement shows the ASEAN foreign ministers' desire to reach a comprehensive political settlement of the Cambodian problem which was caused by Vietnamese aggression, thus bringing about long-lasting peace and stability in Cambodia and in this region as a whole. This ASEAN foreign ministers' attitude is in line with the desire of the Cambodian people and all people in Southeast Asia, including the Vietnamese people.

Why have the Hanoi Authorities become enraged over this statement? This behavior of the Hanoi authorities does not surprise those people who have closely watched the Vietnamese activities and who are well aware of the Vietnamese's tricky nature.

They have noticed that after announcing their sham unilateral troop withdrawal on 5 April, the Hanoi authorities have been launching deceitful propaganda in various areas, particularly in Southeast Asia and a number of European countries. This is aimed at urging others to approve Vietnam's sham troop withdrawal announcement at the coming Paris international conference on Cambodia and to partially settle the Cambodian problem so that Vietnam will be able to maintain the regime it installed in Phnom Penh and to hide its forces for use in occupying Cambodia in accordance with its Indochinese Federation strategy.

The six ASEAN countries' demand that the Cambodian problem be settled comprehensively and that Vietnam really withdraw its troops under the clear and effective supervision of a UN-sponsored international control commission is tantamount to directly hitting Vietnam's evil schemes, that is the sham troop withdrawal and the partial settlement of the Cambodian problem. This is why the Hanoi authorities have become very angry.

VODK Praises Recent ASEAN Joint Statement
BK1007024289 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 9 Jul 89

[Station editorial: "The Cambodian People and the Coalition Government of Democratic Kampuchea Highly Appreciate the Joint Statement of the 22d Conference of ASEAN Foreign Ministers in Bandar Seri Begawan"]

[Text] On 3 July 1989 in Bandar Seri Begawan, capital of Brunei, the the foreign ministers of the six ASEAN countries—the Philippines, Thailand, Malaysia, Singapore, Indonesia, and Brunei—solemnly opened their 22d annual conference to discuss economic cooperation and a solution to the Cambodian problem, which is a big obstacle to progress in this region.

After a day's concentrated debate, the foreign ministers issued a joint statement saying that only through a comprehensive political solution to the Cambodian problem—that is solving the external and internal aspects of the Cambodian problem—can genuine and durable peace be ensured in Cambodia and can long-lasting stability be guaranteed in the region. Partly solving the Cambodian problem will only prolong the war and the instability, and this is not in the interests either of the Cambodian people or of the region. The statement says that in accordance with the results of the second Jakarta informal meeting and the UN resolutions on the Cambodian problem, the foreign ministers appeal to Vietnam to pledge that the troop withdrawal will be under the effective supervision of the UN international control commission [ICC], including a peacekeeping force. This should be considered part of a comprehensive political solution to the Cambodian problem. The foreign ministers also affirmed their support for the Coalition Government of Democratic Kampuchea [CGDK] under Samdech Norodom Sihanouk's leadership in its efforts to free Cambodia from foreign occupation and to build a sovereign, independent, neutral, and nonaligned Cambodia based on Cambodian national reconciliation.

The Cambodian people and the CGDK welcome and highly appreciate this just and correct stand of the friendly ASEAN countries. Solving the Cambodian problem politically and comprehensively, both its external and internal aspects, on the basis of the genuine withdrawal of all Vietnamese troops from Cambodia under the supervision of the UN ICC as proposed by ASEAN is realistic and appropriate to the situation in Cambodia where the Hanoi Vietnamese have been hiding their aggressor forces through many maneuvers, particularly by disguising of their aggressor troops in Cambodia as puppet soldiers and including them in the puppet forces' units and the hectic hiding of weapons and ammunition in Cambodia.

This statement by the ASEAN Foreign Ministers is an effective measure aimed at resisting the maneuvers of the Hanoi Vietnamese and their accomplices who have been

trying to get the international community to legitimize their fake troop pullout so that Vietnam can free itself from international condemnation and so that the Vietnamese aggressor troops and forces hidden in Cambodia and disguised within the puppet regime can continue to occupy Cambodia forever without any guilt like they have done in Laos. The Cambodian people and the CGDK firmly believe that the struggle of the Cambodian nationalist resistance forces and the Cambodian people under the leadership of the CGDK headed by Democratic Kampuchea's President Samdech Norodom Sihanouk, combined with the correct and firm stand of friendly ASEAN countries, will certainly force the Vietnamese aggressors, who are currently weakened and in serious trouble, to accept a just and comprehensive political solution to the Cambodian problem by unconditionally and genuinely withdrawing all their aggressor troops and forces from Cambodia under the supervision of the UN International Control Commission. Only this kind of solution can ensure that Cambodia enjoys genuine peace, security, and stability and that Southeast Asia will have long-lasting peace and stability in accordance with the aspirations of countries and people in the whole region.

On this occasion, we would like once again to express profound gratitude to the ASEAN Foreign Ministers for their relentless efforts to end the Cambodian people's tragedy and painful suffering. We will always remember the immense deeds of the foreign ministers, governments, and people of the ASEAN countries.

Indonesia

Religious Minister Deplores Mecca Bombings

BK1107103989 Jakarta ANTARA in English
0952 GMT 11 Jul 89

[Excerpt] Jakarta, July 11, (OANA-ANTARA)—The Indonesian Government deplores two bomb explosions which injured a number of hajj pilgrims in the holy city of Mecca Monday [10 July] night.

"Apart from who is the mastermind and what the motives of the explosions, the Indonesian Government greatly deplores the intolerable incident," the Indonesian minister of religious affairs, Munawir Syadzali, said here on Tuesday.

When he was informed of the bomb explosions, the minister sent a telex to the Indonesian Embassy in Riyadh, asking the safety of the Indonesian hajj pilgrims.

Irawan Abidin of the Indonesian Embassy in Riyadh reported that no one of the Indonesian hajj pilgrims who became the victim of the bomb explosions.

The minister said he is concerned with the incident, saying that it is too early to determine who was masterminding the explosion.

He expressed his confidence that security officials in Saudi Arabia would be able to handle the security situation in that country.

The Ministry of Religious Affairs is monitoring the safety of the Indonesian hajj pilgrims who this year number at 58,000 persons. [passage omitted]

Alatas Wants Hawke To Explain Defense Policies

BK0907085889 Melbourne Overseas Service in English
0800 GMT 9 Jul 89

[Text] Indonesia's foreign minister, Mr Ali Alatas, says Australia could do more to explain its defense policies. Speaking to Australian reporters in Brunei, Mr Alatas referred to a recent speech in Canberra by a former Indonesian ambassador, Brigadier General Hasnan Habib, who described Australia's defense posture as hawkish.

Mr Alatas said that while General Habib had been expressing a personal view, Australia could do more to counter such perceptions by giving Indonesia more information on its defense policies.

FRG Delegate Backs East Timor Reconciliation

BK1107101789 Jakarta MERDEKA in Indonesian
7 Jul 89 p 2

[Text] Jakarta, Thursday [6 July], MERDEKA—Klaus Jurgen Henrich, head of a FRG parliamentary delegation, confirms his team totally agrees that the East Timor decolonization issue should not be included in the UN agenda considering that the opening of East Timor was an important step toward improving the human rights situation there.

The head of West German parliamentary delegation made the confirmation at a press conference at the West German Embassy in Jakarta on Thursday after the delegation had completed a 10-day visit to several regions such as East Timor, Irian Jaya, Bali, and Yogyakarta.

According to Klaus Jurgen, his team held talks with the East Timor governor, the East Timor Provincial Council of People's Representatives, and the last but not the least Bishop [Carlos Felipe Ximenes] Belo during his visit to East Timor.

"In the course of our visit to East Timor, we saw improvements in education, health services, housing, and infrastructures," Jurgen said.

His team believed that the opening of East Timor was an important step toward improving the human rights situation. This was a free move, and the attitude of the East Timor people is closely linked with their own future.

"We support all efforts, particularly those made by the Indonesian Government to facilitate the reconciliation process," Jurgen said. According to him, the idea of involving UN Secretary General Perez de Cuellar can be interpreted as a very helpful approach.

However, he cautioned that efforts to achieve reconciliation should be cautious, wise, and mindful of proposals from other parties. "We will always help," he said.

Laos

Thailand's 'Cold War' Strategy Noted

BK1007135789 *Vientiane Domestic Service in Lao*
0430 GMT GMT 4 Jul 89

[Article by Po Siviangkham: "The Cold War"]

[Summary] In the middle of the eighties, Soviet leaders initiated a move to halt all facets of the arms race. They asked their U.S. counterparts to join hands with them in eliminating nuclear weapons.

What is the cold war? Briefly, the cold war is a foreign policy pursued by Western superpower governments against the Soviet Union and other socialist countries.

"At present, the enemy of the Lao revolution has carried out acts in various forms to undermine our country. For example, they launched attacks against our three villages [Ban Mai, Ban Kang, and Ban Savang in Sayaboury Province] in 1981 and Na Banoi canton, Boten District, Sayaboury Province, in 1987 and 1988. Having failed to destroy our country through their military might, the enemy has now employed a new strategy in attacking us through the so-called attempt to turn the Indochinese battlefield into a marketplace. The reason the enemy had to switch to this strategy is because their armed provocations were ineffective. That is why they have turned to a new weapon, one without firepower, the effectiveness of which is much greater than that of other weapons. At times, they have made either direct or indirect threats against our country. For example, they have staged the so-called joint U.S.-Thai military exercise codenamed "Cobra Gold-89," which presented an overt provocation against and a serious threat to the security of the Lao People's Democratic Republic [LPDR]. That military exercise was carried out in northeast Thailand, against would-be enemy forces who supposedly come from the northeastern direction, that is the LPDR. All the while, Thailand can innocently appear to be pursuing a gentle policy toward Laos.

"Given its nature, it is a very difficult and delicate task to counter this cold war strategy as it can be used effectively against certain peoples in our country who are unable to clearly or wittingly appraise the situation. This is because the spearhead of the cold war, launched against a backward and developing country, is directed against its economic front.

"The security and stability of a socialist country depend on the people's armed forces. Thus, our Army must be prepared at all times to thwart all sinister schemes employed by the enemy. We must keep in mind that the enemy of our socialist state will never allow us to build our country along the direction outlined by the party and that they will employ all kinds of tactics to weaken our revolutionary forces. Should a favorable opportunity arise, they will destroy us with their armed forces. Another thing we must remember is that when the imperialists and reactionaries are pursuing a gentle policy toward us, it does not mean that they are truly sincere with us. Once we lower our guard and fall for their tricks, we will undoubtedly become their victims.

"As for their propaganda campaigns, the imperialists and capitalists always take advantage of any little conflict among the socialist countries to carry out slanderous campaigns aimed at further creating rifts among them in particular, and at undermining the socialist system in general. Some people who are unaware of the truth may fall for such propaganda campaigns. Sometimes, conflicts evolving in certain socialist countries are caused by interference carried out by the imperialists and capitalists, for instance the pro-democracy demonstrations staged by students in China. We are fully aware that the CIA has operated an extensive network throughout the world. CIA propaganda says that the communist system will swallow all other countries in the world despite the fact that this is not the nature of Marxism-Leninism.

"We fully know that the countries in the socialist camp are sincere in helping and cooperating with one another in all fields. On the contrary, it is the expansionist-hegemonists in the capitalist-imperialist world who clearly display their true color on several occasions. For example, the United States has interfered in the internal affairs of Panama, created obstacles to the creation of peace in Cambodia by sending weapons to the Cambodian resistance groups, and undermined an atmosphere of national reconciliation in Afghanistan by giving military assistance to the antigovernment factions. The United States has also maintained more than 1,300 military bases in many countries, including training centers, spy centers, and nuclear weapons warehouses. All this has posed a serious threat to the security and peace in the world.

"In brief, the cold war is a foreign policy pursued by the imperialists and capitalists with the aim of destroying and undermining socialism through various means. Moreover, the cold war can become a cause of an open armed conflict if conditions permit. Nevertheless, most of our Army and people have consistently maintained a sense of vigilance. All of us are confident in the party leadership. This means that our revolutionary nature, fighting tradition, and faithfulness to our socialist country still remain our firm foundation in resisting all schemes of the enemy."

Vigilance Urged in New Trade Situation
BK2506124789 Vientiane Domestic Service in Lao
0430 GMT 22 Jun 89

[Editorial: "Heighten Vigilance in Light of New Situation"]

[Text] At present, the world political and economic situation is changing toward peace and development, creating a very favorable opportunity for our country to draw technical skills, through international cooperation, for building and developing our economy. Our Lao People's Democratic Republic [LPDR] is now in the period of consolidating, developing, and perfecting the popular democratic system in the advance to socialism, beginning from conditions in which the socioeconomic work is mainly characterized by nature and there are no primitive factors or tools to be directly used for building socialism. This is why we have to march forward step by step through the consolidation, development, and perfecting of the popular democratic system.

Through actual practice over the years we have come to clearly understand that the most furious, basic disagreement in our country is between the backward production force and the demand for production development to serve the daily increasing requirements of society. To settle this disagreement in order to pave the way for the development of production, it is necessary for us to free production force from the relations with the old society and from the state-financing bureaucratic centralized mechanism which are considered basic obstacles. Regarding this, the seventh resolution of the fourth party Central Committee points out that the social basis of the popular democratic system still comprises people of various classes, such as workers, farmers, small financiers, handcraftsmen, traders, national capitalists, intellectuals, personages, and others who are not in a position to intimidate or oppress each other but maintain differences in term of property. On this basis, the ownership structure and economic sector in our country are composed of separate and scattered economy, private capitalist economy, cooperative economy, joint venture economy, state economy, family economy of state employees and cooperative members, and foreign joint business economy. The seventh resolution of the fourth party Central Committee also points to the contents of the economy of the popular democratic system in which the goods economy is developed and markets are broadened. This means that it is to carry out free and legal trading through the implementation of goods-money relations, make the production and circulation of goods interrelated, turn to the countryside, and open doors to foreign countries.

In the past, a number of people and traders, failing to profoundly understand the line and policy on free and legal trading, took advantage of the situation to carry out trading at will. For example, they engaged in trading without licenses, illicitly carried out businesses, evaded

taxes, and created currency confusion in the market. By doing so they did not help the state but only seriously sabotaged the national economy.

We must profoundly understand that the peaceful coexistence between us and the enemies in the present does not mean that the enemies have abandoned their subversive and sabotage activities against us. In fact, they have continuously pursued their two-faced schemes against us, meaning that, on the one hand, they have made believe that they sincerely desire to give cooperation and assistance to us on the basis of mutual benefits and, on the other hand, they have taken advantage of the situation in which we have opened doors to the outside world to use the economic lever to buy off our cadres, soldiers, and people, in particular those who have jointly carried out businesses with foreigners, and make them unconscious and then serve their schemes. Simultaneously, the opposite side has continued to foster the exiled Lao reactionaries and encouraged them to sneak into Laos to carry out subversive activities against us in certain remote areas.

This has clearly shown to us that the struggle between us and the enemies will further change under different brutal, subtle, and very dangerous forms. In light of this situation, it is required that we, now more than ever, heighten vigilance, cope with tricks and schemes of the opposite side, absolutely do not think only of profit or money, and not to become infatuated with a pleasant way of living which runs counter to the fine traditions of our nation. Cadres of the national defense and public security armed forces must always uphold high vigilance, attentively turn to the grass roots to educate, train, consolidate, and firmly strengthen the national defense and public security forces, build and turn villages into socialist fortifications, set up national defense fields for the entire people, resolutely check those who carry out free and illegal trading as well as those who evade taxes and those who carry out illicit activities in order to maintain the social order, smash all acts of psychological warfare of the enemies, and guarantee tranquillity and security on all occasions.

Deputy Foreign Minister Leaves for USSR
BK0607112989 Vientiane KPL in English 0902 GMT
6 Jul 89

[Text] Vientiane, July 6 (KPL)—Souban Salitthilat, deputy minister of foreign affairs and his delegation left here on July 5 for the Soviet Union to attend a conference of deputy foreign ministers of socialist countries. The purpose of the meeting is to prepare for the 44th session of the UN General Assembly.

The conference is to be held in Minsk (Byelorussian SSR) on July 10-14.

Philippines

National Democratic Front Assails U.S. 'Scheme'
HK0807084589 Manila THE MANILA CHRONICLE
in English 8 Jul 89 p 7

[Text] The National Democratic Front's (NDF) office in Utrecht, the Netherlands, yesterday assailed the United States for allegedly using the Philippine Assistance Program (PAP) to compel the Philippines into agreeing to the retention of American military facilities here beyond 1991.

In a two-page statement signed by NDF representative Byron Bocar, the NDF also urged the international community, particularly West Germany, France and Belgium where President Aquino is set to visit next week not to support the PAP.

"Designed in Washington and with a target of eventually raising \$10 billion in loans and grants," said the statement, "PAP has been trumpeted as the panacea that will (solve the country's) widespread poverty, the crushing foreign debt and the armed and unarmed opposition fighting for social justice and national liberation."

Bocar also condemned the U.S. for its "insidious scheme" by promising a mere \$200 million for PAP "while cajoling Japan, Australia, West Germany, France and a number of European countries to provide the greater bulk of the money."

While Bocar claimed that NDF is not against genuine development aid to Third World countries like the Philippines, he stressed the need "to have fundamental structural changes in the society to guarantee that aid goes to impoverished Filipinos who really need (the aid) and will benefit from it."

The NDF, an umbrella organization of left-leaning organizations, also belied President Aquino's claim that the country is on its way to economic recovery. It also accused the Aquino Government of condoning human rights abuses due to its "total war" policy.

USSR Envoy Speaks on Manglapus' Moscow Visit
HK1107031789 Quezon City Radyo Ng Bayan in Tagalog
0300 GMT 11 Jul 89

[Text] Annual trade volume between the Soviet Union and the Philippines will be boosted to 300 million dollars from the present level of 40 million dollars each year. According to USSR Ambassador to Manila Oleg Sokolov, the move forms part of an effort to expand USSR-Philippines bilateral trade.

Sokolov said a memorandum of agreement intended to expand USSR-Philippine economic and technological relations will be signed by Foreign Secretary Raul Manglapus, his USSR counterpart Eduard Shevardnadze, and USSR Foreign Economic Relations Minister Katushev.

Sokolov added that Manglapus's visit to Moscow is the first fully-fledged mission of a Philippine foreign minister to the Soviet Union.

Foreign Office Grants Soviet Fishing Vessels Entry
HK1007043789 Manila PHILIPPINE DAILY
GLOBE in English 10 Jul 89 p 8

[By J. Fortuna]

[Text] Soviet fishing vessels can now enter Philippine waters and will be allowed to buy fish from Filipino fishermen for processing in their floating canneries, the foreign office said in a ruling.

The decision, penned by Artemio Corpus, director of the DFA's [Department of Foreign Affairs] Law Division, contradicts an earlier Cabinet sub committee decision stating that Soviet fishing vessels are prohibited from entering Philippine waters by law.

A copy of the ruling was sent Friday to Oscar Fadri, president of the Makati-based Eastern Fishing and Development Inc. which transacts business with Soviet fishing companies.

"The Department of Foreign Affairs has in effect given your company the clearance to bring in to the country any Russian canning vessel you intend to charter for your business purposes," Corpus said.

Upon receipt of the ruling, Fadri instructed Filsov, Easterns' shipping agent in Manila to alert the Soviet Union for the entry of Soviet fishing vessels to Manila.

On Friday, Fadri also advised the Philippine Coast Guard on the return of Leninsky Luch, a Soviet fishing vessel which was forced to leave Manila Bay last April 12 for lack of permit. It was moored near the U.S. Embassy.

"Under procedures, we have to advise the Coast Guard 10 days before advising the Leninsky Luch captain to return to Manila," Fadri told the GLOBE.

Corpus based his ruling on an earlier decision of DFA's Franklin Ebdalin that Eastern Fishing, a "duly registered Filipino-owned" firm, can "legally do any business in the Philippines."

Corpus said that allowing Soviet vessels is legal since the Philippines and the Soviet Union have diplomatic as well as trade ties.

Corpus said the country's trade agreement with the Soviets was signed as early as June 2. Another trade protocol was signed in March between Soviet officials and Trade and Industry Secretary Jose Concepcion.

Soviet Ambassador Oleg Sokolov told reporters Thursday "it was a mistake on the part of the Leninsky Luch captain to enter Philippine waters without permission from the Philippine government.

He said Soviet officials and Tourism Secretary Raul S. Manglapus will "take up all matters that pertain to our economic relationship and to make them really workable" when the latter visits the Soviet Union beginning July 17.

Aquino Meets German Leaders, Filipino Locals
*HK1007125189 Manila Manila Broadcasting Company
DZRH in Tagalog 0800 GMT 10 Jul 89*

[Excerpts] Philippine and West German leaders today signed two loan agreements worth \$50 million to fund the country's power generation distribution projects. The German Government also spelled out its contribution to the Philippine Assistance Program [PAP]. In addition, Louie Beltran reports for DZRH News Center that the EC, of which West Germany is a member, has promised a \$350-million initial contribution to the PAP.

President Corazon Aquino started her official visit to West Germany today. She met with West German President Richard von Weizsaecker, Chancellor Helmut Kohl, and Foreign Minister Hans Dietrich Genscher. Earlier, she met with the Filipino community there and assured them she will uphold democracy in the Philippines:

[Begin Aquino recording in progress] ...our people power, so we should guard its goals. Since 1986, many good changes have happened. Democracy now prevails. We have a new Constitution, an independent judiciary, and the Congress is being led and represented by people who adhere to democratic and nationalist principles.

The Commission on Audit, the Civil Service Commission, the Commission on Elections, the Commission on Human Rights, and the Ombudsman's Office independently carry out their respective duties.

Last year, the economy rose by more than 6 percent, which proved there was progress. But this is not enough. Many of us are still poor. Because of this, I am inviting you to participate in our noble cause, that is, for the development of our country. We are also hoping for your help in patronizing our own products. May you also help us attract foreigners to visit our country so that they can discover the beauty of the Philippines and the richness of our culture. Please make plans with your relatives to set up small- to medium-scale businesses in our country. [end recording]

Meanwhile, most West German organizations reportedly prefer to channel funds to the country through the Peasants Movement of the Philippines or the I May Movement rather than through government offices. It was learned that the Germans are concerned about

handing aid to government officials, owing to graft and corruption plaguing the administration. Hence, they prefer to channel aid through nongovernmental organizations.

Some West German organizations have also revealed that they made donations to different organizations, including a farmers' group which received \$14 million last year. [passage omitted]

Meanwhile, Human Rights Commissioner Mary Concepcion Bautista stressed that President Corazon Aquino is prepared to discuss the human rights issue in West Germany.

In an interview with Bing Formento of Mobile 11, Bautista clarified that her department is attending to all human rights violation charges whether the violator is a civilian, the military, or a public figure. She also affirmed that human rights violations by the insurgents are worse than those by the military. [passage omitted]

In a related development, Senator Wigberto Tanada confirmed the deterioration of human rights conditions in the country. This was his reaction to a protest by several groups in West Germany criticizing Aquino's administration for human rights violations. He told DZRH's Liberty in Action Program that he was asked the same questions when he was in Europe, particularly in East Germany. He explained that while the government has investigated and is still investigating human rights violations, very little progress has been made. [passage omitted]

Seeks Trade, Talks on Human Rights
*HK1007130589 Quezon City Sports Radio 738
in English 1100 GMT 10 Jul 89*

[Text] President Aquino today met with several leading European industrialists in West Germany. During that meeting, the president sought more markets for Philippine products and investments in a bid to establish more favorable trading arrangements for the Philippines.

Later, the president met with West German President Richard von Weizsaecker. The two leaders discussed economic issues and ways of strengthening bilateral ties between the Philippines and West Germany. Mrs. Aquino also encouraged a greater European role in the development of the Philippines.

Earlier, the chief executive tried to dispel charges that her government has failed to fulfil its promise to protect human rights. She told a West German television reporter that if there were violations, they were limited to a few individual cases.

From Bonn, Mrs. Aquino and her party flew to Berlin for a visit to that historical city. She met with Walter Momper, the mayor of West Berlin. Momper praised

Mrs Aquino's struggle for political change by peaceful means. In response, Mrs Aquino thanked the people of Berlin for their continued support to the Philippine government.

[Begin Aquino recording in progress] ...especially in those days when my opponent then was not good at counting election returns, and he was not giving me the votes that should have been mine. [end recording]

Meantime, the Filipinos working in Berlin expressed elation over the president's visit. Some 500 Filipinos patiently waited in front of the Berlin City Hall to take a glimpse of the president.

In her brief remarks, Mrs Aquino called on the Filipinos there to help in promoting local products and the tourism industry. [Aquino recording indistinct]

Appeals for More FRG Assistance

HK1107102789 Manila Manila Broadcasting Company
DZRH in Tagalog 0800 GMT 11 Jul 89

[Slantlines denote passages in English]

[Excerpt] [Passage omitted] Speaking at a state dinner held in her honor, President Aquino called on Western countries to help ease the problems confronting the Philippines, specifically foreign debt servicing. The president stressed that the country does not intend to turn its back on its obligations.

Here is Louie Beltran reporting on President Aquino's speech to West German officials and businessmen:

[Begin Aquino recording in English in progress] ...but you were right to say that Third World countries must overcome their debt problem by themselves and earn the money to pay it. We say they can, but their efforts should not be frustrated at every turn by economic and monetary developments in the West, as when interest rates in the industrialized countries wipe out the value of money for debts and development in the Third World countries, and global recession dampens their earnings.

It takes two to make a debt crisis, debtor and creditor. Fairness requires, if not burden sharing, at least no more additions to the loads that only one of them is carrying. [end recording]

Meanwhile, President Aquino also criticized former President Marcos and opposition Senator Juan Ponce Enrile at a dinner hosted by the FRG Government. She announced that her government will not resort to violence, as displayed by Marcos when he declared martial law in the Philippines.

Here is a report by Louie Beltran:

[Begin recording] Our report on the second day of President Aquino's state visit to West Germany shows that Philippine politics seem to have extended to this country. Speaking at a state dinner hosted by FRG President Richard von Weizsaecker in honor of President Aquino last night, Mrs Aquino suddenly launched into a criticism of the Marcos administration, and of Senator Juan Ponce Enrile in particular, when she compared the fascist rule under Adolf Hitler with that prevailing in the Philippines when Marcos declared martial law.

Mrs Aquino said: /Germany has another special lesson for me, as a Filipino and as the widow of the man who saw in its tragic history the dark shape of his own country's future. One year before martial law, Senator Benigno Aquino Jr warned the Senate on the eve of its demise to remember the Reichstag fire, for fascism repeats itself. So it turned out. A grenade attack on the opposition executed by military agents was blamed on communists and a fake attempt on the life of a high official set the stage for the invocation of the martial law powers of the president. Our own Article 48 of the Weimar Constitution.

/Marx said that history has a way of repeating itself, first as tragedy and then as farce. And yet the reincarnation of fascism in the Philippines was anything but farcical. The toll it took on the national life and the economy is one reason why we have sought the help of the friends of democracy around the world./

Mrs Aquino did not cite Senator Juan Ponce Enrile by name but this was the third time she has referred to the fake assassination attempt against Enrile before martial law was imposed.

The more than 1,000 prominent German officials and businessmen present at the occasion noted the unusual nature of the president's speech because of her criticism of her political opponent.

As the president enters the third day of her visit here, the assistance she was expecting appears vague. But the issue will be clarified in her final meeting with Chancellor Helmut Kohl, as reports here indicate that the FRG Government will extend a \$158-million donation to the PAP. This will be the biggest amount of FRG aid to the country.

This morning, an agreement was signed by Trade Secretary Jose Concepcion and Finance Secretary Vicente Jayme providing for 95 million Deutsche mark, or roughly \$100 million, for power generation projects in Manila. This was the first financial agreement concluded in 2 days of the visit here.

Earlier, we met with Trade Secretary Jose Concepcion, who reported that the private sector here will put up \$125 million to fund 20 projects in the semiconductor and garments industries.

So far, the president has not obtained the amount of assistance she had hoped for. Instead, she is confronted daily with complaints of human rights violations. [end recording]

In a related development, President Aquino asserted that the time was now ripe for foreign participation in the development of the Philippines, as the country's economy and society have attained sufficient stability. She made this remark in her speech to FRG leaders, stressing that the Philippines should be rewarded for its efforts to pay off its foreign debts even though it had meant a 40 percent reduction in its national budget.

Here is an excerpt of the president's speech in her appeal to FRG leaders:

[Begin Aquino recording in English in progress]
...borders with countries in turmoil, and despite the bad publicity we get, democracy is firmly rooted. The government is stable, the economy is moving, and there is no serious challenge to the free enterprise system. Let me put it this way: No one will take power in my country by whistling or shouting in Europe. We are far from troubled, yet well-positioned to take signal advantage of the wealth of opportunities that are opening up in the century of the Pacific.

We invite Germany to position itself with us. The elements of a greater German-Philippine partnership in the Philippines and the Pacific are there. It needs only your decision to make it happen. [end recording]

German Road Project Halted After NPA Warning
*HK1007123589 Manila Manila Broadcasting Company
DZRH in Tagalog 0800 GMT 10 Jul 89*

[Text] The commander of the New People's Army [NPA] Melito Glor Command, Gregorio Rosal, alias Comrade Roger, has reportedly written to West German Chancellor Helmut Kohl asking him to stop a German road construction project in Quezon Province. Details from Louie Beltran of DZRH from Bonn, West Germany:

[Begin recording] An NPA commander has halted a large-scale West German Government project in the Bondoc Peninsula by writing two letters to the Bonn leadership. This was revealed by reliable sources in the West German Government, who claimed that Comrade Roger, an NPA commander in Quezon Province, sent two letters to Chancellor Helmut Kohl in Bonn recently, the first letter arriving in October last year. Both letters contained the same message.

According to Comrade Roger, a big project worth 100 million pesos was then going on in the Bondoc Peninsula, designed to link several towns under NPA control. Comrade Roger, in his letter, warned the West German Government against proceeding with the road construction project, saying that the NPA would be forced to stop the project.

Sources here said the letters prompted suspension of the project. Comrade Roger also expressed an interest in holding a dialogue with West German Government representatives.

West German newspapers have reported on this issue, but the West German Government has refused to comment on it. However, reliable sources said continuation of the project under suspension will be raised by President Aquino in her talks with West German leaders. The president dismissed Comrade Roger's letters and asserted that adequate protection will be provided to German technicians working in the Bondoc Peninsula.

Meanwhile, the West German Government decided to suspend the project because it believed that the Aquino administration cannot provide sufficient protection to its technicians.

Comrade Roger reportedly said in his letter that the road project is similar to an Australian project in Samal which connected roads in NPA-controlled territories.

This is Louie Beltran reporting for DZRH in Bonn, Germany. [end recording]

In this connection, Senator Wigberto Tanada expressed regret over suspension of the West German road construction project because the project would have benefited many people. He said ideological differences should not have affected a project that is beneficial to the people. This was Tanada's reaction to Comrade Roger's letter to West German Chancellor Helmut Kohl which resulted in suspension of the project.

[Begin Tanada recording] The road construction project was suspended after a West German technician was captured and detained for several months. After his release and return to Germany, the project was suspended.

My reaction to this matter, notably Comrade Roger's letters, is this: I hope that our political and ideological differences will not hinder or stop us from working for our common interests, especially those which will help improve and uplift the lives of our people. [end recording]

Australia To Give 3 Billion Pesos to Aid Plan
*HK0807053389 Quezon City Radyo Ng Bayan in Tagalog
0400 GMT 8 Jul 89*

[Text] The Australian Government will contribute 3 billion pesos to the Philippine Assistance Program [PAP]. Dr Michael Dalton, Australian embassy counsellor in Manila, states that the contribution is a donation and not a loan from Australia to the Philippines. He added that the amount will be disbursed over the next 5 years.

Dr Dalton also said that according to Dr Bob Dan, member of the Australian delegation to the Tokyo pledging session, the financial grant may be raised to 200 million Australian dollars.

[Begin Dalton recording in English] Australia has promised to maintain its level of aid to the Philippines in real terms for at least the next 5 years. And in addition, it has promised to place more money conditional on continuing improvements in the Philippine economy. This means that over the next 5 years, we are going to give a direct grant to the Philippines, at least 155 million Australian dollars, which is about 2,500 million pesos. And then on top of that, over the next 5 years, we will be giving about another 20 million dollars, assuming some improvements in the Philippine economy, which means plus some additional money that goes to regional institutions for a total amount to the Philippines of about 3 billion pesos or 200 million Australian dollars. [end recording]

Editorial Questions Rights Groups Credibility
*HK0607113789 Manila PHILIPPINE DAILY
INQUIRER in English 5 Jul 89 p 4*

[Editorial: "Rights Groups Must Establish Credibility"]

[Text] Observers predict rough sailing ahead for President Aquino during her visits to Germany, France and Belgium next week. The President's "fund-raising" efforts among officials and business leaders, they say, are sure to be met with hard questions on the government's human rights record.

And, if we go by preliminary reports, the impression among Europeans is that "human rights violations under the Aquino government are worse than during the Marcos regime."

We all know that's a propaganda line from the left, and if it has gained in currency in Europe, then it could only be due to vigorous and prolonged lobbying efforts by representatives of the National Democratic Front, [NDF] including Jose Ma. Sison, founder of the Communist Party of the Philippines.

The NDF's work has been greatly aided by statistics compiled by human rights organizations, both local and foreign, which have, by and large, come down hard on the military and civilian government.

In response, Ms. Aquino and other officials have questioned the objectivity and credibility of local human rights groups, accusing them of harboring a hidden agenda. As for international rights bodies, officials pointed out (during the recent "Magtanong sa Pangulo" radio show) that these have come up with conflicting assessments on human rights under the Aquino government: Amnesty International says the situation has worsened since 1986; while the Committee on Human Rights of the United Nations gave the Aquino administration "excellent" marks.

If human rights is not to be reduced to political ping-pong, bouncing from one side of the ideological line to the other, human rights groups, for one, must firmly

establish their claim to credibility. And to do this, there is need for them to establish their own neutral ground, from which they may assess alleged rights violations and assign blame.

That human rights groups have failed to establish neutrality and thus objectivity is becoming clear, in the wake of such incidents as the massacre in a remote barangay in Davao del Sur, where the local NPA [new people's army] command has admitted killing 41 villagers attending services inside a chapel of the United Church of Christ in the Philippines (UCCP).

A UCCP fact-finding team sent to the area blamed the killings on communist guerillas (who have already "apologized" for the carnage), but at the same time accused the military of using innocent villagers as bait against the rebels, organizing them into anti-communist vigilante units and presumably endangering their lives.

This is a surprising conclusion, especially since human rights groups, in their investigation of such tragedies as those in Lupao, Nueva Ecija, and in Paombong, Bulacan, did not see fit to point out the role of the insurgents in these bloodbaths. After all, innocent civilians were also used as, if not bait, then as shields by the NPAS, who then fled the on rushing government troopers, leaving the barrio folk to suffer the consequences.

If human rights groups wish to be recognized as legitimate chroniclers and protectors of the people's rights, they must first transcend such ideological biases and prove that they can call the shots as they see them, staking their own moral, because neutral, high ground.

Thailand

Talks With U.S. on Aid to Cambodian Resistance
*BK1107083089 Hong Kong AFP in English 0814 GMT
11 Jul 89*

[Excerpt] Bangkok, July 11 (AFP)—Senior U.S. and Thai officials agreed here Tuesday that Cambodian anti-communist guerrillas needed "material assistance and moral support" to "enhance their bargaining power" in upcoming negotiations with Cambodia's Hanoi-backed government, the Thai Foreign Ministry deputy spokesman said.

Pratyathawi Tawethikun also told reporters that U.S. Assistant Secretary of State for East Asia and the Pacific Richard Solomon and Thai Foreign Minister Sitthi Sawetasila agreed that there would be "no quick solution" to the war between Phnom Penh and a guerrilla coalition joining the anti-communist groupings and the Marxist Chinese-supported Khmer Rouge.

The U.S. Embassy declined to comment on the consultations, which are being held ahead of an international conference on Cambodia in Paris to take place after a "round table" bringing together later this month the warring Cambodian factions, also in the French capital.

Mr. Pratyathawi quoted the U.S. officials as telling Mr. Sitthi that Washington had already decided to give assistance to the anti-communist resistance factions, but he declined to be more specific on the nature of the aid the U.S. was planning to give.

Washington is already giving humanitarian aid to the anti-communist groups, and is considering extending military aid to their guerrillas.

U.S. and Thai officials said that Mr. Solomon would meet later Tuesday with Thai Prime Minister Chatchai Chunhawan.

His talks here followed last week's meetings in the Brunei capital of Bandar Seri Begawan between the non-communist Association of Southeast Asian Nations (ASEAN) and their major industrialized partners including the United States.

Mr. Pratyathawi said that Mr. Sitthi and Mr. Solomon also agreed that the conflict could only be ended by a "comprehensive settlement"—a catchphrase meaning that an agreement would have to include both modalities for Vietnam's troop withdrawal from Cambodia and a power-sharing arrangement by the warring factions.

They agreed that a "partial" settlement would inevitably spawn new complications, he said in apparent reference to a continuation of fighting if the Khmer Rouge were not included in an interim government in Phnom Penh. [passage omitted]

Visiting SRV Foreign Minister Discusses Cambodia
BK0807012689 Bangkok BANGKOK POST in English
8 Jul 89 pp 1, 3

[Text] Hanoi will not send troops back into Cambodia even if the Khmer Rouge return to power after the September withdrawal, Vietnamese Foreign Minister Nguyen Co Thach said yesterday.

Mr Thach, who arrived in Bangkok quietly on Monday and spoke to reporters at Don Muang Airport before leaving yesterday [7 July], categorically rejected the possibility of a return of Vietnamese troops to Cambodia.

In response to a question whether Vietnam would send its troops back if a civil war broke out in Cambodia and the Khmer Rouge returned to power, Mr Thach said:

"I do not see any situation for the troops' comeback.

"If the Khmer Rouge return to power, it is the responsibility of those countries who have condemned the Vietnamese presence in Cambodia. (After the withdrawal), it is no more our responsibility," he said.

Mr Thach's comment is the first time Vietnam has stated that it has no intention of returning no matter what transpires after September.

When Vietnam announced on April 5 this year its decision to withdraw all its troops by September, it linked the withdrawal with a number of factors, namely the "cessation of foreign interference, and of all military aid to all Kampuchean parties."

The April 5 declaration, issued jointly with Laos and the Phnom Penh regime said that if foreign countries "could not honour their commitments to put a complete end to military aid to the Kampuchean parties, especially to the Pol Pot clique," Phnom Penh reserves the right to call on other countries, including Vietnam, to help the regime.

This part of the declaration was seen as a loophole which could allow Vietnam to return to Cambodia after the September withdrawal.

Commenting on the International Conference on Cambodia to be held in Paris at the end of this month, Mr Thach said he was optimistic about the results despite ASEAN's position that the conference aims to reach a comprehensive solution to the decade-old conflict.

Mr Thach said he hoped the International Conference could produce at least a "partial resolution" to the conflict similar to the result of the 1973 Paris Conference on Vietnam.

He said there may be an agreement on the external aspects of the problem while a framework or a guideline for the arrangement of internal aspects may be set forth, since the internal aspects may not be resolved.

He criticised the ASEAN joint statement calling for a comprehensive solution, saying it was a "step backward", but refrained from making any harsh comments on Prince Sihanouk's latest stance.

"I do not like to comment on the Prince's everyday behavior," Mr Thach said with a laugh.

"It is like a weather forecast," referring to the prince's seemingly ever-changing stance.

Mr Thach said ASEAN's position announced in Brunei this week contradicted the conclusions reached at the two Jakarta Informal Meetings [JIM].

"The two conditions set forth at JIM II for a political solution in Cambodia are the Vietnamese troops' withdrawal and the non-return of the Khmer Rouge," he said.

"It was the JIM II result which led to the Paris conference. The ASEAN nations should respect that commitment.

"It is nonsense to have a conference if we have an agreement and do not respect it," said Mr Thach.

He said he would be in touch with Indonesian Foreign Minister Ali Alatas about the possibility of having a second round of JIM II, which he said he personally preferred.

Mr Thach described ASEAN's insistence on the inclusion of the Khmer Rouge in a provisional government in Cambodia as "not logical", implying that it would be rejected by the international community at the conference.

He suggested that the ASEAN position was "only for bargaining purposes to set a high price before the International Conference. It's the habit of ASEAN," said the Vietnamese Foreign Minister.

Mr Thach said there were only about 10,000 Vietnamese civilians in Cambodia, down from half a million earlier and no more Vietnamese experts.

He said there were fewer Vietnamese civilians than Chinese civilians in Cambodia. He dismissed the suggestion of a discrepancy between his and Foreign Minister Sitthi Sawetsila's estimates of the number of Vietnamese troops still in Cambodia.

"Nine thousand more or nine thousand less, it is not important," he said, referring to ACM [Air Chief Marshal] Sitthi's statement that there are about 49,000 Vietnamese troops still in Cambodia. Mr Thach had said there were 40,000.

Vietnam would continue to support the Phnom Penh government up until the Paris agreement, he said, adding that Hanoi would support any Cambodian government after the elections.

He expressed confidence that Phnom Penh premier Hun Sen would be elected in the general election because it was the people in the Heng Samrin government who have been fighting the Khmer Rouge.

"Prince Sihanouk has a chance (of winning the election) if he stops relying on the devil (the Khmer Rouge).

"If he continues to depend on the Khmer Rouge, he does not have a chance. Nobody wants to have Pol Pot back," Mr Thach said.

He said Prince Sihanouk committed political suicide when he decided to incorporate the Khmer Rouge into his resistance force.

Mr Thach remained firm in his opposition to a role by the United Nations in the Cambodian settlement. He insisted that if the United Nations does not change its Cambodian resolution, "there will be no room" for its participation.

"They must be impartial," he said.

Regardless of the UN position, Mr Thach said he would attend the UN General Assembly in New York in October despite his absence during the last several years.

He said he believed the UN would find a way to alter its stance on the Khmer resistance if it wanted to before the General Assembly meeting and present its new position at the Paris conference.

He described the ICK (International Conference on Kampuchea) as "dying, not dead and not alive".

Mr Thach said there had been no final decision on the composition of the International Control Mechanism (ICM). He said the task and function of such a mechanism would have to be defined before an agreement on its composition and size is reached.

However, he said there will be six countries in the ICM—two Western countries, two nonaligned, and two socialist countries.

On the question of the continued Chinese support of the Khmer Rouge, Mr Thach said China had already been supporting the Khmer Rouge for 10 years. Its continued support, therefore, would not change the course of events in Cambodia.

He said normalisation talks between China and Vietnam which started before the student uprising in China, were still going on.

The Vietnamese Foreign Minister, however, had harsh words for the United States. Referring to what Vietnam called an additional US pre-condition for normalisation of relations, Mr Thach said, "Great powers must keep their words. If they swallow their words, it's a pity."

Vietnam accused the US of setting an additional pre-condition for the normalisation. Vietnamese officials said originally the US set two conditions, namely a troop withdrawal and the settlement of the issue of US soldiers still missing in action since the Vietnam War.

"Now they (are saying) withdrawal with a political settlement," he said.

Following the International Conference on Indochinese Refugees in Geneva in June, Mr Thach left for official visits to Austria, Sweden, England and France.

The minister said he discussed Cambodia with the leaders of these countries.

"We all agreed that we wanted a political settlement. There are some differences on issues such as the role of the United Nations, ICM and the problem of internal (aspects) of the Cambodian problem.

"My position is the internal matters of Cambodia must be solved by the Cambodian parties."

Mr Thach said he did not hold any meetings with Thai officials during his stay in Bangkok. He had spent his time here "sleeping day and night."

Navy Declines Soviet Offer To Observe Exercise
BK1107005089 Bangkok THE NATION in English
11 Jul 89 p 1

[By Phongsak Sisot]

[Text] The United States has asked members of the Association of Southeast Asian Nations (ASEAN) and other allies to turn down the Soviet Union's invitations to observe a naval exercise of the Soviet Pacific fleet northwest of Japan this week, diplomats said yesterday.

As a result, the Thai military called off a plan to send a team of observers led by Rear Adm Thanong Sirirangsi to the Soviet naval base in Vladivostok where the Soviet fleet is due to launch the exercise.

The other five ASEAN members have also turned down the invitation, the sources said.

The reasons behind the request remained unclear yesterday as spokesmen of the US embassy and officials of the Thai Foreign Ministry could not be reached for clarifications.

However, a well-informed source said Washington is concerned that its allies in Asia Pacific region would be cozying up to Moscow, which has launched a campaign to woo Free World nations since top Soviet leader Mikhail Gorbachev rose to power. Moscow's "peace offensive" includes an offer to pull out of the naval and air force facilities in Vietnam if the United States also leaves the Clark Air Base and the Subic Bay Naval facilities in the Philippines.

As part of the campaign, the Soviet Union for the first time extended invitations to armed forces of countries outside its bloc to send observers to the war game during July 10-12.

A total of 15 countries have been invited: the United States, China, Australia, Canada, India, North Korea, Vietnam, Japan, New Zealand, Indonesia, Malaysia, Singapore, the Philippines, Brunei and Thailand.

Arrangements have been made for the military delegations to fly to Khabarovsk City in the Soviet Union and from there, the Soviet hosts will foot the rest of the bills until the end of the observation trips.

About 20 frigates and cruisers, including three nuclear-powered, nine replenishment ships, a variety of 37 aircraft and helicopters, and about 10,000 troops are taking part in the naval rehearsal.

The first phase is based on a war scenario that the Soviet force effectively foils a mock-up hostile submarine attack on Vladivostok naval base while in the following war scenario, to be staged July 12, the Soviet fleet will counter a hostile enemy air raid.

In the last phase, held July 12 afternoon, Soviet battleships will rehearse protecting a fleet of escorts from a simulated attack by an enemy fleet of battleships.

Burma Troops Cross Border; Overtake Power Plant
BK1107011589 Bangkok BANGKOK POST in English
11 Jul 89 pp 1, 3

[Text] Mae Hong Son—Thai border forces have been sent to a border village here to dislodge some 200 Burmese soldiers still holding a small hydro-electric plant after some 800 Rangoon troops crossed the border in pursuit of Karenni rebels and clashed with Thai police and volunteers on Sunday.

Border Patrol Police [BPP] and defence volunteer sources said at least one Burmese soldier from an 80-mm forward unit was killed when it clashed for about 30 minutes with a 70-strong combined force of BPP, local policemen and defence volunteers.

The clash took place after the Burmese crossed the border in pursuit of Karenni rebels fleeing their camps to Ban Huai Mae Suai U and Ban Huai Hai in Tambon Pabong, some 20 kilometres from this provincial capital.

The sources said that as many as half of the 800 Burmese soldiers had intruded more than a kilometre to Ban Huai Hai before withdrawing to the border after the forward unit clashed with the Thai border force.

About 200 of the intruders, however, captured a hydropower plant at Ban Mae Suai U to support their comrades' retreat at the border after they came under heavy gunfire from Karenni rebels, who had withdrawn to Burma and launched a counterattack from the rear. The sources said the Karenni rebels had deserted four strongholds in Burma following several days of fighting with Burmese soldiers.

The Karenni rebels have apparently seized a hill on the Burmese side of the border to fire at the Burmese soldiers, who are apparently caught between the rebels on one side and the Thai border force on the other, the sources said.

The sources said that Thai officials manning the hydropower plant, built by the National Energy Administration, had deserted the plant after it came under heavy gunfire during the fighting, causing a blackout at nearby Tambon Nam Piang Din.

The plant may have been damaged in the fighting, the sources said.

The Thai border force yesterday reportedly tried to reach the power plant but were hampered by heavy fighting between the rebels and the Burmese troops reportedly still holding the plant.

Provincial Governor Pramuan Ruchanasei said the Rangoon force clearly intended to penetrate into Thai territory.

About a month ago, he said, the provincial authority had put up Thai flags and fences to indicate the border, so the Burmese could not claim they had unknowingly crossed the frontier.

The governor said the Thai forces found the body of a Burmese soldier after the clash at Ban Huai Hai. It was sent to Sri Sangwan Hospital.

The Burmese Embassy in Bangkok would be asked to claim the body.

The governor said he had ordered the provincial superintendent and the Muang district police chief to negotiate a withdrawal with the Burmese troops.

He said he later ordered reinforcements from the BPP, provincial police and defence volunteers to three border points to push back foreign intruders.

The staff of Sri Sangwan Hospital has been placed on alert to take care of casualties in case the fighting escalates.

Meanwhile, Chana Wongthong, manager of the Union Par Company, which has a logging concession in Burma opposite Ban Huai Mae Suai U, reported to Muang district police that 12 company workers had been arrested by Burmese troops and their fate is unknown.

Rangoon soldiers also seized five elephants, 12 electrical saws and other equipment from the firm's logging site.

The incident took place on July 5 but the report only reached the company yesterday.

Troops Pushed Back

BK1107080689 Hong Kong AFP in English 0759 GMT 11 Jul 89

[Excerpt] Bangkok, July 11 (AFP)—Thai forces had pushed back Burmese troops who made a brief incursion Monday across their joint border in pursuit of ethnic insurgent guerrillas, the government spokesman said here Tuesday.

Suwit Yotmani said the government was awaiting a full report on the incident in which one Burmese soldier was killed before deciding whether to protest the latest incursion to Rangoon.

"We cannot tolerate intrusions by neighbours, especially by countries with which we have established good neighborly relations," Mr. Suwit said.

Quoting local Thai officials, he said about 80 Burmese soldiers crossed over for about 10 minutes into Thailand's Mae Hong Son border province, some 940 kilometres (580 miles) northwest of here, during fighting with Karenni guerrillas.

The Karennis form one of the ethnic minorities fighting Rangoon's central government to gain autonomy.

They belong to a different tribal group than the Karens, who are also fighting Burmese troops along the Thai-Burmese border.

Mr. Suwit dismissed press reports here that Burmese soldiers had captured a hydro-electricity generating plant in Ban Huai Mae Suai U, Mae Hong Son Province. [passage omitted]

Closer Economic Ties With South Korea Urged

BK1007021589 Bangkok THE NATION in English 10 Jul 89 p 8

[Editorial: "Stressing Mutual Benefits"]

[Text] Last week ASEAN's formal acceptance of South Korea as its new "sectoral dialogue partner" reflects the growing international recognition of its economic power and technological progress. The current visit of South Korean Trade and Industry Minister Han Sung-Su to Thailand is thus a good opportunity for the two countries to explore new opportunities for bilateral trade and cooperation.

In order to maintain a cordial atmosphere for friendly and fruitful discussions, the emphasis should be on cooperation for mutual benefits. Complaints and ill feelings from the recent past—especially from the controversial biddings for the construction of the Map Taphut and Laem Chabang deep-sea ports in which South Korea's Hyundai Engineering and Construction was disqualified for "technical reasons"—should be left

behind. The Thai hosts, on their part, should be left behind. The Thai hosts, on their part, should ensure their Korean counterparts that Thailand does not discriminate against Korean firms.

Only recently did South Korean firms turn to Southeast Asia to invest profits from their foreign investment instead of sending the money home and increase the inflationary pressure. The largest South Korean investment in this region is in Indonesia, with Thailand coming second. But Korean investors now realize that Thailand has much better basic infrastructure and political stability than Indonesia. Moreover, Thailand also has the advantage of being close to Burma and Indochina which are potential sources of raw materials and markets from Korean products.

Relations between Seoul and Bangkok have been warm and cooperative. Seoul has consistently supported Thailand's position on the Cambodian conflict and Bangkok has backed Seoul's position on the Korean unification question. Although Thailand has established diplomatic ties with North Korea, Thailand has not sent an ambassador to Pyongyang; neither has it allowed North Korea to upgrade its trade office in Bangkok into an embassy. This position indicates that Bangkok still attaches much more importance to relations with Seoul than with Pyongyang. After all, the North Korean economy is only about one-fourth the size of the South Korean economy.

If the Chatchai administration is serious about diversifying Thailand's trade and economic partners—and we think it must, otherwise Thailand will continue to be dominated by the Japanese and the Americans economically—it should look carefully into all opportunities for increased trade and economic partnership with South Korea.

The Thai government can also benefit from studying the South Korean experience in development so that it will be able to avoid pitfalls littering the road to becoming a newly-industrialized country (NIC), which Seoul has encountered.

Minister Warns Deficit Nearing 'Critical' Level
BK0507004789 Bangkok THE NATION in English
5 Jul 89 pp 1, 2

[By Sam-ang Wutthisaksathit and Anchali Thiambunloet]

[Text] Finance minister Pramuan Saphawasu warned yesterday that Thailand's trade deficit has approached a "critical" level and suggested that the issue warrants urgent Cabinet deliberation.

Pramuan's warning comes as the country's trade deficit continues to widen, correlating with strong economic growth, expected to reach nearly 10 percent this year. In the first six months of this year the trade deficit, according to the commerce Ministry, has remained unchanged at Baht 60.5 billion.

But the trade deficit in the second half of the year threatens to snowball as a result of rising oil prices and growing imports.

The Commerce Ministry projects that the deficit for the 1989 might hit Baht 127 billion, lower though, than the bank of Thailand's projection of Baht 131 billion. If the current pace keeps up, by 1993 the figure will have reached Baht 239 billion.

At the weekly Cabinet meeting yesterday, Pramuan argued for the presentation of a report—prepared by the Finance Ministry, along with the commerce Ministry and the central bank—outlining ways in which the trade deficit could be tackled. But Prime Minister Chatchai Chunhawan interrupted, saying that given the importance of the problem, the issue should instead be deliberated in a special session, probably by the Council of Economic Ministers, so that there would be enough time to go through details. He suggested the meeting take place on Saturday, July 8.

Also of concern is a widening current account deficit, which also shows a upward trend. According to the central bank, the current account deficit is projected to reach Baht 79.7 billion this year, and to climb to Baht 179.4 billion by 1993.

Despite the worrying trade deficit, Thailand's balance of payments has moved in the opposite direction, showing a surplus of Baht 38 billion for the first half of this year. At the same time, international reserves have climbed to US\$9.1-US\$9.2 billion, a factor helping boost the confidence of foreign investors in the Thai economy.

Nevertheless, the trade deficit promises to become a politically destabilizing factor. Pramuan's report covers four areas where the trade deficit can be tackled: export promotion, lowered restrictions on imports used in re-exported products, revenue increases through expansion of services, and tightening up on government expenditures.

In the export promotion area, the report suggests that export tariffs should be eliminated to boost the competitiveness of Thai products on the world market. This could be done through a value-added tax, introduced at the beginning of next year, through which exporters could be entitled to tax rebates and could end up owing no taxes.

Streamlining of the complicated export procedures, particularly customs procedures, could be accomplished by establishing export processing zones—specified areas

within which both government agencies and industries would be located. Already, two zones are planned to be set up this year—one at Bang Phu and the other at Lat Krabang.

Other efforts, apart from monetary and fiscal policies, include promotion of free trade zones, warehouses, export credits, and infrastructure developments, such as port and airport facilities.

In the area of imports, the report suggests that local manufacturers should be assisted by lower import tariffs on raw materials or machinery used in the production of re-exported products. Import credit on non-productive or luxury products should be curtailed.

A step to encourage saving could be made by the establishment of providence funds. It is recognized that savings are the most effective way to reduce consumption of luxury products.

For increasing revenues, tourism will continue to be the foremost money-making machine. However, the report recognizes that Thailand has high annual insurance expenses, so attempts should be focused on the development of shipping, including container and cargo insurance.

Exporters should be encouraged to buy insurance policies from local firms instead of foreign-owned companies, a measure that could be accomplished through tax incentives. Local insurance companies should also be encouraged to raise capital to cover larger operations and handle high-premium insurance policies.

Vietnam

Gen Tran Cong Man on Pullout From Cambodia
BK1107011189 Bangkok BANGKOK POST in English
11 Jul 89 p 3

[By Jacques Bekaert]

[Text] Hanoi—The final withdrawal of Vietnamese troops from Cambodia will take place from September 26 to 29, General Tran Cong Man, editor-in-chief of the Army daily QUAN DOI NHAN DAN (People's Army) told the BANGKOK POST during an interview here last week.

Vietnamese military sources said the last phase of the withdrawal will involve mostly infantry troops.

Heavy equipment like tanks and artillery, as well as support troops, started leaving Cambodia in June.

Tanks are being gathered in the region of Phnom Penh and nearby provinces (Kandal, Kompong Speu, Kompong Chhang), and are being sent back to Vietnam mostly by waterway.

General Man said that Phnom Penh was anxious to keep the Vietnamese soldiers in Cambodia for as long as possible, to give it time to beef up its own defence forces.

He confirmed the casualty figures given recently by General Doan Khue, a member of the politburo, to a session of the National Assembly.

According to general Doan Khue, 67,000 Vietnamese officers and soldiers were either killed or wounded along the Khmer-Vietnamese border between 1977 and 1988.

"Most of the casualties occurred in the years 1977-78" said General Man, when the Khmer Rouge launched ferocious attacks against Vietnam's border provinces.

General Man also said that between 1978 and 1988, 40,000 to 50,000 Vietnamese soldiers were killed or wounded in Cambodia.

"We don't have final figures yet" he explained, "but it is probable that at least 15,000 soldiers died and another 30,000 were wounded during the ten-year-long Cambodian campaign".

Gen Man believes that most of the wounded soldiers were the victims of land mines, liberally used by all factions, which to this day continue to claim many casualties among Cambodian civilians.

Like many other observers, General Man predicts that following the final withdrawal, the resistance, especially the Khmer Rouge, will launch a strong offensive in order to capture at least one major Cambodian city, more than likely Battambang.

There has been heavy fighting in recent months around Pailin between Khmer Rouge units and the Armed Forces of Cambodia, supported by Vietnamese artillery.

The area is important not only because it is rich in precious stones, but also because it would open the way to Battambang, the second largest city in Cambodia.

"There is no doubt that if the Khmer Rouge take over Battambang, even for a few days, it would deal a deep psychological blow to the Phnom Penh regime" said Gen Man.

Although most Vietnamese military experts express serious reservations about Phnom Penh's army, they believe it could resist a major assault by the resistance.

"The resistance forces are not as good as Phnom Penh's army," said one colonel with experience in Cambodia.

Like most countries involved in the international conference on Cambodia due to start in Paris on July 31, Vietnam is pessimistic about the chances of reaching a quick political settlement in the war-torn country.

Interview With Defense Minister Le Duc Anh
AU0307192789 Sofia NARODNA ARMIYA in Bulgarian
30 Jun 89 pp 1, 4

[Interview with Army General Le Duc Anh, minister of national defense, by Captain Ivan Genov, NARODNA ARMIYA reporter: "Friendship and Solidarity," in Bulgaria—date not given]

[Text] [Genov] Comrade Army General, the official visit of the SRV military delegation to the People's Republic of Bulgaria is approaching its end. What impressions do you have from the meetings and talks you had here?

[Le Duc Anh] We are happy that we had the opportunity to visit the motherland of the great Georgi Dimitrov, the country of the beautiful roses. We had official talks with a delegation of the Bulgarian People's Army led by Army General Dobri Dzhurov. We were cordially received by Todor Zhivkov, general secretary of the Central Committee of the Bulgarian Communist Party [BCP] and State Council chairman.

The talks took place in a cordial and friendly atmosphere of sincerity and frankness. The sides had totally unanimous views on the regional international issues and other matters of mutual interest. In addition to Sofia, the delegation visited Sliven, the city of the 100 chieftains, the ancient capital Veliko Turnovo, and the port and tourist center of Varna. We were acquainted with the Bulgarian people's heroic traditions during their long-lasting struggle, with your motherland's beauty, the Bulgarian people's successes, and the combat training and life of the modern Bulgarian People's Army. Our delegation was warmly and cordially greeted everywhere by the local party, state, and military leaderships, by the soldiers, commanders, and the population. I would again like to thank you for the attention and hospitality. We are convinced that the visit of the SRV military delegation will facilitate the development of friendship, solidarity, and comprehensive cooperation between our peoples and Armies.

[Genov] We know that processes of restructuring and renewal are taking place in the fraternal SRV, as well as in other socialist countries. Would you like to tell us in detail about these processes in your country and their reflection in the Vietnamese People's Army?

[Le Duc Anh] Restructuring is actively taking place in our country, in accordance with the decisions of the Sixth Congress of the Communist Party of Vietnam, and we are pleased with the results that have been achieved so far. Regardless of the numerous difficulties created for subjective and objective reasons, our people and Army will decisively overcome the obstacles and will implement the renewal of socialism.

The Vietnamese People's Army, together with all people, is implementing two strategic tasks—the construction and defense of our motherland.

In socialist restructuring we follow and develop our national traditions and learn from the leading experience of the USSR and the fraternal socialist countries. In building up all-peoples' defense and our regular troops, we rely on qualitative rather than quantitative indexes, with a view to guaranteeing the reliable defense of the independence, sovereignty, and territorial integrity of the country and the peaceful work in the name of its bright future, precisely as Ho Chi Minh wanted it.

[Genov] The constructive role of the SRV in solving the problems around Cambodia is well-known. Can we expect new SRV initiatives in this direction?

[Le Duc Anh] From the middle of 1975 until the end of 1978 Cambodia was drawn into an unprecedented genocide, from which it was liberated with the help of the Vietnamese volunteers. Before the end of September 1989, the soldiers and commanders of the SRV volunteer troops will return to their families after fulfilling their noble international duty. The only and strongest wish of the Vietnamese people is for the world to help the people of Cambodia to live in peace, independence, freedom, and national consent. The neighboring states must cease their military assistance for the various sides in this regional conflict and redirect their efforts and help the people of Cambodia in peaceful construction, which is what is most needed now. Those are peaceful initiatives, desired by the people of Cambodia.

Before leaving your beautiful and hospitable Bulgaria, we wish to convey our best wishes to the Bulgarian people and the soldiers and commanders of the Bulgarian People's Army. We wish you many new and even greater successes in the construction of socialism and of a modern army that could reliably defend its socialist motherland, Bulgaria, and facilitate the strengthening of peace and cooperation in the Balkan peninsula and the world.

Statistics Compiled in April Census Reported
BK0707084489 Hanoi VNA in English 0616 GMT
7 Jul 89

[Text] Hanoi VNA July 7—(OANA-ECOVNA)—Vietnam has a population of 64,411,668 including 31,318,352 males (48.6 percent) and 33,093,316 females (51.4 percent), according to a communique issued by the Central Census Board on the second census conducted nationwide at 00:00 hr on April 1, 1989.

The population registered at the time increased by 11.7 million persons over 1979 when the first national population census was made, representing a population growth rate of 2.13 percent per annum.

The census has revealed 2,432 centenarians all over the country, including 1,728 women and 704 men.

The capital of Hanoi has 3,057,000 people and Ho Chi Minh City, 3,934,000, the most populous city in the country. Nghe Tinh Province in central Vietnam and Ha Nam Ninh Province in the Red River Delta also come within the group of urban centres with a three-million odd population.

The northern mountain province of Lai Chau has the smallest population in the country, 438,00 persons. The provinces with a two million population or so are Ha Bac, Hai Hung, Thanh Hoa, Nghia Binh, Dong Nai, and Hau Giang.

The highest natural population growth rate recorded in 1988 was 2.41 percent in the southern province of Kien Giang, 2.40 percent in the southernmost province of Minh Hai, and 2.08 percent in the Red River Delta province of Ha Son Binh. Thai Binh Province, Ho Chi Minh City, and Haiphong Port City successfully reduced their rate to 1.35 percent, 1.53 percent, and 1.55 percent respectively.

In this connection, the national daily NHAN DAN today editorially calls on the entire people to help further cut down the population growth rate. It says:

"More than ever before, the party organizations and administrations at all levels should pay more attention to the family planning program, make adequate investments in this work, especially in the provision of qualified cadres and material facilities, and effectively use international organizations' aid."

It calls on all families to observe the target of one or two children per family.

Tax Collection Shortfall for 1989 Reported

*BK0307135189 Hanoi Domestic Service in Vietnamese
1100 GMT 1 Jul 89*

[Article by station correspondent Quang Huong]

[Summary] "According to reports from industrial and trade tax agencies, even though the estimated amounts of industrial and trade taxes and circulation fees collected nationwide during the first 6 months of 1989 are 328 percent more than the same period last year, only 29 percent of this year's tax collection targets has been fulfilled so far." Except for license fees, the tax amounts generated from other sources were all small.

There are several causes leading to this tax collection shortfall.

First, almost all local tax officials have failed to keep track of the actual number of industrial and trade taxpayers. In fact, more and more people have engaged in business operations, but the tax sector has failed to upgrade the list of new taxpayers and to collect the right tax amounts according to new tax schedules.

Second, many local tax officials have computed taxes improperly by negotiating with taxpayers on the amounts the latter would have to pay or applying a uniform tax rate for everyone, thus causing discontent among a number of dealers who subsequently closed their business operations.

However, not all local tax officials have lagged behind in fulfilling tax collection targets. In fact, the revenue services in Hanoi, Ho Chi Minh City, and the Provinces of Thanh Hoa, Gia Lai-Kontum, Dong Nai, Minh Hai, and Vinh Phu have kept good records of the actual number of households engaging in business operations and collected more taxes compared with the same period last year.

Regarding commodity taxes, major collection shortfalls have been recorded in many localities. Altogether, "only a bit more than 19 percent of the annual commodity tax collection planned norms have been fulfilled." The underlying cause rests with the failure of local tax officials to collect taxes directly from producers and dealers.

"More than 70 percent of tax collection planned norms remain to be fulfilled in the last 6 months of 1989." To achieve this goal, the tax sector should join hands with local administrative bodies and other organs concerned in keeping track of actual business operations and updating monthly business reports and related documents.

Also, steps must be taken to complete the lists of taxpayers, with full details about tax identification numbers and tax amounts. Plans must also be worked out to collect taxes directly from producers and dealers and prevent the circulation of tax evasion goods along the border areas.

As far as the tax sector is concerned, it is necessary to conduct on-the-job or long-term training courses for tax officials so they can gradually improve their professionalism and satisfactorily fulfill the 1989 tax collection targets.

Council of Ministers Readjusts Interest Rates

*BK1007085689 Hanoi Domestic Service in Vietnamese
1100 GMT 8 Jul 89*

[Text] On 6 July, the chairman of the Council of Ministers made public a decision readjusting bank credit interest rates as follows:

- Maximum interest rate for deposits is 3 percent per month.
- Maximum interest rate for regular loans is 4 percent per month.
- Maximum interest rate for preferential loans given to some beneficiaries in accordance with the decision of the Council of Ministers chairman is 2.1 percent per month.

Based on these set interest rates, the director general of the State Bank will determine the interest rates for fixed deposits and loans in accordance with the roles of products in the national economy, the nature and cycle of production of each sector, and the ways in which funds are to be used as stipulated under the Council of Ministers chairman's Decision No 173-CT dated 27 June 1989.

The afore-mentioned readjusted interest rates will become effective on 1 July 1989.

State Bank Announces New Rates

BK0207145589 Hanoi Domestic Service in Vietnamese 1100 GMT 30 Jun 89

[Text] On 29 June, the director general of the Vietnam State Bank issued Decision No 94 on new interest rates for savings deposits.

According to the decision, effective 1 July 1989, the interest rates for savings deposits will be as follows: 5 percent per month for regular savings deposits and 7 percent per month for 3-month fixed savings deposits.

The aforementioned interest rates have been readjusted in conformity with the change in the social market's price index and will be applicable nationwide to commercial banks, limited partnership banks, credit funds, and credit cooperatives.

The interest rate for 3-month fixed savings deposits up to 30 June will remain at 9 percent until the expiration of the 3-month period, counting from the day of deposit.

Regular savings deposits up to 30 June will earn interests in accordance with the new rate, beginning 1 July 1989.

This decision supersedes Decision No 71 dated 29 May 1989.

Also according to the State Bank, effective 1 July 1989, interest rates for deposits and bank loans will be readjusted as follows: 3 percent per month for time deposits made by economic organizations; 2.1 percent per month for preferential loans given in accordance with the Council of Ministers' decision; and 3-4 percent per month for regular loans.

Decision on Use of Money From Savings Accounts

BK0807095689 Hanoi Domestic Service in Vietnamese 0500 GMT 6 Jul 89

[Text] To effectively utilize the money amassed from savings deposits to help solve the problem of capital availability for business operations, the chairman of the Council of Ministers recently issued a decision on the use of money from savings deposits, beginning 1 July. The decision says:

In using money amassed from savings deposits to extend loans in support of business activities, banks are only allowed to apply the normal system of interest rates. These loans must, first of all, be given on a priority basis to state-operated economic units belonging to the key sectors of the national economy, which are lacking capital.

Banks must not apply agreed-upon interest rates to economic units or organizations whose capital loan demands are essential and reasonable. The application of agreed-upon interest rates to economic units or organizations whose capital loan demands exceed the essential and reasonable level must be considered and decided by the director general of the state bank.

Banks are allowed to use part of the money taken from the people's savings deposit as loans to central or provincial and city budgets when necessary to ensure that pensions and other social security expenses are paid in full and on schedule. Capital loans to provinces and cities must be implemented under the joint direction of the Ministry of Finance and the Ministry of Labor, and War Invalids and Social Welfare. The provinces and cities which obtain these loans must pay interest—including interest to the owners of the savings deposits concerned—and bank charges.

Big discrepancies resulting from the use of money in savings deposits to extend loans at normal interest rates and from the outcome of the bank's business activities must be calculated separately and settled with the Ministry of Finance. The use of bank loans for opening savings accounts is strictly prohibited. All acts of exploitation by economic units, including banks, must be severely dealt with according to the law.

Economic Position of Ho Chi Minh City Viewed

BK0907155989 Hanoi VNA in English 1515 GMT 9 Jul 89

[Excerpts] Hanoi VNA July 9—Due to its position and potentials, Saigon (now Ho Chi Minh City) has held an important and major economic position in South Vietnam. Together with Hanoi, it was and still is one of the two biggest economic centres of the country. [passage omitted]

Before 1975, the city had been endowed with numerous processing industries. A new industrial zone was set up in Bien Hoa on the outskirts of the city with 85 enterprises of different sizes and with a relatively high technical standard. By then, Saigon already had more than 8,000 factories and workshops, 1,687 trading companies, 420 servicing companies and 795 export companies. Particularly, financial and banking activities in Saigon turned it into the financial hub of the whole South Vietnam.

At present, the output value of consumer goods industries of Ho Chi Minh City made up 48 percent of the national total.

The city now has 1,127 timber processing factories which can process 100,000 cubic metres of timber annually. The cabinet making industry is turning out 14,000 cubic metres of furniture a year, which represents only half of its capacity. Export of furniture can be increased remarkably if modern machines are available.

A project for a big timber processing factory with an annual capacity of 25,000 cubic metres a year will be launched in cooperation with a Japanese firm.

The vegetal oil industry can produce 21,000 tonnes a year, or 40 percent of the total being produced by South Vietnam.

The city can annually produce 13,000 tonnes of canned vegetables and fruit; at present, it turns out only 8,500 tonnes.

In the near future, the economic position of Ho Chi Minh city will be even stronger when modern industries and services are strongly developed.

Ministry Announces Rules on Videotapes, Music
BK1007065289 Hanoi Domestic Service in Vietnamese
1100 GMT 7 Jul 89

[Summary] On the morning of 7 July, the Ministry of Culture convened a news conference in Hanoi under the chairmanship of Minister of Culture Tran Van Phac to introduce new regulations on videotape showings and musical activities.

Attending the news conference were leading officials of the cultural service, representatives of central agencies and sectors concerned, and many local radio and television correspondents.

According to Minister Tran Van Phac, "The spread of videotapes and music of an unhealthy, decadent nature has reached an alarming rate and seriously affected the young generation." Therefore, "all party echelons, administrative organs from the central down to the local levels, and the entire people should join hands in coping with this situation."

With the approval of the Council of Ministers, the Ministry of Culture has made public new regulations on videotape showings and musical activities.

Under the new regulations, effective 8 July 1989, commercial videotape showings held by party organs, administrative bodies, mass societies, military organizations, public security services, and state-operated or collective economic units are totally banned.

Only commercial videotape showings held by the cultural, cinematographic, and hotel services with tapes approved by the Central Board of Censorship are allowed.

As for music, the decision stipulates the prohibition of performances and popularization of musical pieces with counterrevolutionary or decadent contents.

The decision also points to the need to limit and impose heavy taxes on the importation of videotape recorders, and to exert tight control over the circulation of videotapes and musical pieces with unhealthy contents.

The conferees praised the Ha Bac and Tay Ninh Provincial People's Committees for having adopted stern actions against a number of party organs and collectives for violating regulations on videotapes.

In an interview with a Voice of Vietnam correspondent, Minister Tran Van Phac said that for the time being, commercial videotape showings held by party organs, administrative bodies, mass societies, military organizations, public security services, and state-operated or collective economic units are totally banned. However, the Ministry of Culture will give the Vietnam Cinematographic Union the responsibility of finding an acceptable solution aimed at helping private parties, collectives, and party and state agencies obtain permission to have commercial videotape showings, and the Department of Music and Dancing will prepare a list of banned musical pieces and submit it to the Ministry of Culture for consideration and a decision.

Agriculture Ministry Assesses Winter Crops
BK0907094289 Hanoi Domestic Service in Vietnamese
1100 GMT 7 Jul 89

[Text] Early in July, the Ministry of Agriculture and Food Industry met with the northern provinces to assess the winter crop production during the 1987-89 period and to discuss measures for changing guiding methods.

In the 1988-89 winter crop season, the North planted more than 342,000 hectares of crops of various kinds, fulfilling nearly 94 percent of the plan and producing a small increase over the 1987-88 winter crop season, with the Red River Delta accounting for almost 51.5 percent of the planned acreage. Hai Hung, Nghe Tinh, Hanoi, Thai Binh, and Ha Nam Ninh are still considered the localities with winter crop cultivation experience and large winter crop areas. Corn, which is considered a vital crop, was planted on a total area of nearly 126,000 hectares, an increase of 11 percent compared with that in the 1987-88 winter crops season.

This year, the north will continue to expand the winter crop area and will calculate its intensive cultivation potential and market for the sale of products, striving to plant up to nearly 340,000 hectares of crops of various kinds. These include corn, sweet potatoes, potatoes, manioc, soybean, and vegetables and beans of various kinds.

In the immediate future, all localities in the north will strive to finish planting part of the summer-fall rice or early 10th-month rice before 10 July and to finish harvesting it before 15 September to make way for the cultivation of winter crops, especially corn, at an early date.

South Pacific Forum Covers Range of Issues

Australia To Fund Science Studies

BK1007061289 Melbourne Overseas Service in English
0500 GMT 10 Jul 89

[Text] Australia is planning to provide Australian \$6.5 million for scientific studies into the potential impact on South Pacific countries of the warming of the earth, known as the greenhouse effect.

AUSTRALIAN ASSOCIATED PRESS [AAP] says that the plans are outlined in a document prepared for delegates to the 20th meeting of the South Pacific Forum now under way in the Kiribati capital, Tarawa. AAP quotes the document as saying that the Australian funds would be used to establish a climate-monitoring network to measure any changes in sea level and temperature as well as atmospheric pressure and air temperature.

It says scientists would also seek to make predictions about potential greenhouse effect implications to the frequency and intensity of cyclones.

An expert would be located in the South Pacific to collect information and report regularly to forum members. The document also says that while the initial funding was designed to cover a 5-year program, Australia acknowledged that monitoring would need to be done on a long-term basis.

Meanwhile, the 16-member countries of the forum are considering sending a delegation to Japan to discuss the controversial use of drift net fishing by Japanese vessels in the region. The Cook Islands prime minister, Mr Geoffrey Henry, says the proposal was discussed today during the first round of talks at the Tarawa meeting.

Mr Henry, who has been elected official spokesman for the meeting said he hoped talks with Japan on drift net fishing could take place before the end of the year.

Forum countries have also expressed concern about Taiwanese boats in the South Pacific using drift nets which are said to be seriously depleting the region's stocks of albacore tuna.

During a break in today's talks, New Zealand's prime minister, Mr Lange, said the Japanese Embassy in Wellington had indicated that Japan was ready to talk to the Forum countries about drift net fishing. He said New Zealand had also received what he called certain signs that Taiwan may also be more sensitive and forthcoming on the issue.

Two weeks ago, Japan and Taiwan bluntly refused to agree to the demands of forum countries to stop or at least freeze drift net fishing in the region.

Drift Net Fishing Banned

BK1007093289 Hong Kong AFP in English 0747 GMT
10 Jul 89

[By Suzanne Pollard]

[Text] Tarawa, Kiribati, July 10—Members of the 15-member South Pacific Forum meeting here Monday agreed to ban drift gill net fishing in their region amid stinging criticism of Japan and Taiwan for continuing the controversial practice.

Cook Islands Prime Minister Geoffrey Henry, official spokesman for the forum meeting, said urgent action was required because "we are rapidly running out of time".

Forum members agreed to an offer from New Zealand to host a meeting "very shortly" to work out details of a convention to articulate and enforce the ban, Mr. Henry said.

While the general principle had unanimous and enthusiastic forum support, no details had yet been finalised.

Mr. Henry said concern had been expressed that Japan would increase its already substantial aid commitment to the region in order to buy support for their continued drift net fishing.

"There is not one person who sat in that forum who is not aware of the capability of Japan to engage in cheque-book diplomacy," he said.

Mr. Henry said he believed Japan would take more persuasion than Taiwan to abandon drift netting.

"It's more likely the Taiwanese will be more malleable than the Japanese," he said.

Other forum delegates expressed more optimism that Japan would relent under increasing regional pressure.

At last month's meeting of the Forum Fisheries Agency in Fiji, Pacific nations failed to influence Japan and Taiwan to impose a drift net ban.

But the director of the Honiara-based agency, Philip Muller, said Monday that Japan was embarrassed by the world attention focussed on the "wall of death" fishing method.

"Perhaps they are saying no until they believe that we mean business," he said.

New Zealand Prime Minister David Lange was more confident of a shift in Japan's stand.

"Japan has indicated that as a country it doesn't appreciate the idea of being portrayed as intransigent and inflexible," he told reporters.

"The clear message from Japan is that it wants to talk about this."

Mr. Lange said his confidence came from messages he had received from the Japanese Embassy in Wellington.

"We know that it's in Japan and Taiwanese interests to actually stop the practice," he said. "If Japan is to remain a fishing nation it has to have fish, and if it has this type of approach to catching it, it won't have fish and it won't be a fishing nation."

"There's a mutual interest in it, and I think the forum can advance that with Japan and Taiwan better than individual countries can."

Mr. Lange said it was unreal to expect some of the smaller forum nations, which are heavily dependent on Japanese aid, to take a stand against drift netting on their own.

The drift net ban proposal was moved by Australian Prime Minister Bob Hawke, who said the practice was "both economically and environmentally unacceptable".

If nothing was done the entire Southern Albacore Tuna Fishery would be wiped out, he said.

The other environmental issue prominent in forum talks Monday was the "greenhouse effect", the raising of sea levels because of melting of the polar caps through warming of the earth, which poses serious problems for low lying nations like Kiribati.

Mr. Hawke announced an Australian funded project to establish a network of stations to monitor climatic changes in the South Pacific over the next five years.

The 6.25 million Australian dollars (4.7 million U.S.) would fund monitoring of sea levels and temperatures, atmospheric and air pressures. "With this information, the effects of climatic changes, such as frequency and intensity of cyclones and changes in rainfall patterns, could be predicted," he said.

For some of the low lying Pacific Forum states the matter was one of life or death, he said.

"You only have to be here to see that you don't need much of a rise in the ocean level and you're talking about goodbye Kiribati."

The forum, which first met in 1971, comprises original members Australia, New Zealand, Cook Islands, Fiji, Nauru, Tonga and Western Samoa, plus Niue, Papua New Guinea, Kiribati, the Solomon Islands, Tuvalu, Vanuatu, the Federated States of Micronesia and the Marshall Islands.

Matignon Accords Endorsed

BK1107060089 Hong Kong AFP in English 0443 GMT
11 Jul 89

[Text] Tarawa, Kiribati, July 11 (AFP)—Support from the 15-member South Pacific Forum for the ten-year transition to independence for New Caledonia under the Matignon accords was welcomed here Tuesday by representatives of the Kanak Socialist National Liberation Front (FLNKS).

The forum, which is meeting here this week, reviewed recent developments in New Caledonia and issued a communique Monday offering continuing support to the Kanak people in preparing for independence.

FLNKS spokesman on external relations Rock Wamytan said he was pleased all Forum nations had supported the ten-year transition period for independence.

At last year's forum meeting in Tonga, Vanuatu Prime Minister Walter Lini rejected the forum's endorsement of the French Government's plan for independence, saying that the territory "should be independent tomorrow".

Mr. Wamytan said 10 years was necessary for his people to prepare for independence and train political and economic leaders.

At a meeting with Australian Prime Minister Bob Hawke Tuesday Mr. Wamytan sought support for aid development programmes.

"We need all kinds of help from Australia, New Zealand and other countries in the Pacific and I asked Mr. Hawke to help us with one project for a crab farm in New Caledonia," he said. "He agreed."

Mr. Hawke said he was impressed with the French Government's determination to accelerate training for Kanak people in technical, professional and bureaucratic areas.

"When the time comes at the end of this ten year process there will be a substantial body of Kanaks who have the capability to undertake the range of responsibilities that will be involved," he said.

Mr. Hawke said he had told the French Government during a recent trip to Europe that Australia was prepared to make its training facilities available for Kanak education.

Media Controls Rejected

BK1107054289 Hong Kong AFP in English 0503 GMT
11 Jul 89

[Text] Tarawa, Kiribati, July 11 (AFP)—The 15-member South Pacific Forum Tuesday rejected a proposal by Papua New Guinea to enforce controls on news reporting in member nations.

Instead they agreed to investigate an education and exchange scheme for journalists to improve their understanding of the cultures and traditions of Pacific island countries.

Papua New Guinea Deputy Prime Minister Akoka Doi said the news media, particularly Australians and New Zealanders, did not understand the culture and traditions of countries like his own.

"It is a very serious problem for Papua New Guinea which has affected investment opportunities for Papua New Guinea and some forum country members," he said.

Australian Prime Minister Bob Hawke and New Zealand Prime Minister David Lange both defended the right of their nations' news media to have full and free access to Pacific countries.

Mr. Hawke said that while everyone wanted the press to be accurate and well informed, the freedom of the press was a fundamental principle that he and all Australians held dear.

He praised the Australian news media for making considerable efforts in recent years to develop their understanding of the region, and said he considered they did "a generally very good job".

Mr. Hawke and Mr. Lange both supported the proposal agreed by forum members to investigate an educational seminar or training scheme for the region's journalists.

Mr. Lange said some forum countries believed that governments had the right to control the media. "There is quite clearly a cultural problem," he said.

"The representatives of Fiji spoke in terms of the need to have some form of control while still espousing, I think impractically, the concept of the free press."

Mr. Doi highlighted recent reporting of secessionist unrest in Bougainville Island, saying Australian journalists had reported that security forces "bashed up citizens and burned down houses".

"There might have been one or two houses, but according to the Australian press whole villages had been burned down," he said.

When further questioned, however, Mr. Doi conceded that "maybe a small hamlet" had been destroyed.

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